

**ASSISTANCE AGREEMENT
CDFI PROGRAM
COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND**

NOTE:

The attached document is the Assistance Agreement form that the CDFI Fund will enter into with each awardee that receives an award through the FY 2003 CDFI Program. The attached form document is provided for illustrative purposes only and should not be revised or relied on.

The CDFI Fund will tailor the form document to the specific terms of each award. For example, the final Assistance Agreement that an awardee will sign will only include those schedules on the second page of the cover form that are checked as applicable. Also, the schedules that relate to reporting and performance goals will be tailored to the specific award.

**ASSISTANCE AGREEMENT
CDFI PROGRAM
COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND**

Awardee:	CDFI Program Award Number: DUNS Number: Employer Identification Number:
Address:	
Date of Applicable NOFA:	Date of Notice of Award:
<p>By signing this Assistance Agreement and in consideration of the mutual covenants, conditions and agreements hereinafter set forth, the parties hereto, by their respective Authorized Representatives, agree to the following: (i) the award of Assistance hereunder shall be administered pursuant to the General Award Terms and Conditions, attached hereto as Schedule 1 and made a material part hereof; and (ii) the award of Assistance shall be further subject to the provisions, terms, conditions, requirements, certifications and representations set forth in all such additional schedules as are indicated by the Checklist of Schedules, below, which are attached hereto and constitute a material part hereof.</p> <p>In witness whereof, the parties hereto do hereby execute and enter into this Assistance Agreement.</p>	
Community Development Financial Institutions Fund By: _____ Authorized Representative: _____ Title: Deputy Director for Policy and Programs	Awardee By: _____ Authorized Representative: _____ Title: _____

Effective Date:	Termination Date: ¹
Awardee Information	
Entity Type:	Jurisdiction of Formation:
CDFI Certification Status:	CDFI Certification Expiration Date:
Assistance	
Total Amount:	
Financial Assistance Grant: \$	Loan: \$
Secondary Capital: \$	Technical Assistance: \$
Deposit: \$	Equity Investment: \$
	Amount of Initial Disbursement: \$

¹ If the conditions set forth in Section 7.12 have not been met on this date, the Assistance Agreement will continue to be effective until the Fund determines, in its sole discretion, that the conditions have been met.

Checklist of Schedules: This Assistance Agreement comprises the following documents (as applicable) that are hereby incorporated by reference to the same extent as if fully set forth herein: (check appropriate boxes)			
1. General Award Terms and Conditions		9-A. Representations and Warranties: Loan	
2-A. Opinion of Counsel		9-B. Promissory Note	
2-B. Certificate of the Secretary; Certificate of Good Standing		9-C. Loan Repayment Schedule	
3-A. Authorized Uses of Matching Funds		9-D. Pre-Authorized Debit Payment Instructions: Loans	
3-B. Certification of Matching Funds		9-E. Other Loan Documentation	
3-C. Matching Funds Analysis		10. Equity Investment/Secondary Capital Documentation:	
4. Subsidiaries and Affiliates		10-A. Representations and Warranties: Equity Investment	
5-A. Authorized Uses of Technical Assistance		10-B. Stock Certificate	
5-B. Authorized Uses of Financial Assistance		10-C. Articles of Incorporation	
6-A. Annual Report		10-D. Bylaws	
6-B. Annual Report Submission Deadlines		10-E. Capitalization	
7-A. Performance Goals Report		10-F. Options and Warrants	
7-B. Financial Status Report, SF-269-A		10-G. Shareholder List	
7-C. Financial Assistance and Matching Funds Report		10-H. Pre-Authorized Debit Payment Instructions: Certificates of Deposit; Secondary Capital	
7-D. Explanation of Noncompliance		10-I. Other Equity Investment/Secondary Capital Documentation	
7-E. Annual Report: Shareholder Report		11. Terms and Conditions related to Regulated Institutions	
8. Subsequent Disbursements; Certification of Performance/ Representations & Warranties			

Schedule 1

Award No.: _____

Awardee: _____

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS PROGRAM

GENERAL AWARD TERMS AND CONDITIONS

TABLE OF CONTENTS

I.	Incorporation by Reference.....	1
II.	Definitions.....	1
2.1	Act.....	1
2.2	Affiliate.....	1
2.3	Application.....	1
2.4	Assistance.....	1
2.5	Assistance Agreement.....	1
2.6	Closing.....	1
2.7	Community Development Financial Institution.....	2
2.8	CDFI Fund	2
2.9	Community Development Financial Institutions Program.....	2
2.10	Community Development Financial Institutions Program Regulations.....	2
2.11	Comprehensive Business Plan.....	2
2.12	Effective Date	2
2.13	Financial Assistance.....	2
2.14	Financial Assistance Component	2
2.15	Insider.....	2
2.16	Investment Area.....	3
2.17	Low-Income.....	3
2.18	Matching Funds.....	3
2.19	my CDFIFund	3
2.20	Native American Community	3
2.21	Native American CDFI	3
2.22	Native American CDFI Development Program	3
2.23	Native American Technical Assistance Component	3
2.24	Performance Goals	3
2.25	Program Income.....	3
2.26	Subsidiary.....	4
2.27	Targeted Population.....	4
2.28	Technical Assistance.....	4
2.29	Technical Assistance Component	4
III.	The Assistance; Closings; Disbursements; Fund Receipt of Loan Payments, Investment Income and Equity Redemptions; Program Income.....	4
3.1	The Assistance.....	4
3.2	Closings.....	4
3.3	Disbursements.....	6
3.4	Fund Receipt of Loan Repayments, Interest Earned on Deposits, Investment Income and Equity Investment Redemptions	7
3.5	Authorized Uses of Program Income.....	7
3.6	Restrictions on the Use of Program Income.....	7

IV.	Representations and Warranties.....	7
4.1	Organization, Standing and Powers.....	8
4.2	Qualification.....	8
4.3	Authorization; Consents.....	8
4.4	Execution and Delivery; Binding Agreement.....	8
4.5	No Conflicts.....	8
4.6	Litigation.....	8
4.7	Compliance with Other Instruments.....	9
4.8	Disclosure.....	9
4.9	Taxes; Debts; Bankruptcy.....	9
4.10	Debarment, Suspension and Other Responsibility Matters.....	9
4.11	Status as a CDFI.....	10
V.	Covenants and Agreements of the Awardee.....	10
5.1	Compliance with Government Requirements.....	10
5.2	Fraud, Waste, and Abuse.....	10
5.3	Right to Inspect and Audit.....	10
5.4	Retention of Records.....	10
5.5	General Data Collection.....	11
5.6	Equal Credit Opportunity Act.....	11
5.7	Certain Insider Activities.....	11
5.8	Maintain CDFI Certification; Maintain Status as an Insured Credit Union, Depository Institution Holding Company or Insured Depository Institution	11
5.9	Advise the Fund of Certain Material Events.....	11
5.10	Tracking Use of Assistance, Matching Funds and Interest Earned on Advances	12
VI.	Events of Default and Remedies.....	13
6.1	Events of Default.....	13
6.2	Remedies.....	14
6.3	No Waiver.....	15
6.4	Notice of Default; Time to Cure.....	15
VII.	Miscellaneous.....	16
7.1	Notices.....	16
7.2	Entire Agreement.....	16
7.3	Assignment.....	16
7.4	Successors.....	16
7.5	Severability.....	17
7.6	Applicable Law.....	17
7.7	Disclaimer of Relationships.....	17
7.8	Counterparts.....	17
7.9	Headings.....	17

7.10	Amendments.....	17
7.11	Survival of Representations and Warranties.....	18
7.12	Termination.....	18
7.13	Applicability of Criminal Provisions.....	18
7.14	Disclosure of Awardee Reports by Fund.....	18
7.15	Limitation on Fund and Federal Liability.....	18
7.16	Compliance with Non-Discrimination Statutes.....	19

ARTICLE I INCORPORATION BY REFERENCE

12 C.F.R. Part 1805, as from time to time amended, is incorporated by reference and given the same force and effect as if set out in full text. In the event of any inconsistency between 12 C.F.R. Part 1805 and the terms set forth in these General Award Terms and Conditions, all Schedules and any amendments hereto, the provisions of 12 C.F.R. Part 1805 shall govern.

ARTICLE II DEFINITIONS

When used in these General Award Terms and Conditions, all Schedules and any amendments hereto, the following terms shall have the meanings specified below. Capitalized terms used but not defined herein shall have the respective meanings assigned to them in the Act, the Community Development Financial Institutions Program Regulations, the NOFA and/or the Application (as such terms are hereinafter defined).

2.1 Act. "Act" shall mean the Community Development Banking and Financial Institutions Act of 1994, subtitle A, title I, Riegle Community Development and Regulatory Improvement Act of 1994, Pub. L. No. 103-325, 108 Stat. 2163 (September 23, 1994), as amended.

2.2 Affiliate. "Affiliate" shall mean any company that controls, is controlled by, or is under common control with the Awardee, as defined in 12 CFR § 1805.104(b).

2.3 Application. "Application" shall mean the Community Development Financial Institutions Program Application Form, including any written or verbal information in connection therewith and any attachments, appendices and/or written or verbal supplements thereto, submitted by the Awardee to the Fund, in response to the applicable Notice of Funds Availability (NOFA) inviting Applications for the Community Development Financial Institutions Program.

2.4 Assistance. "Assistance" shall mean the award made pursuant to this Agreement, which may comprise the Technical Assistance and/or the Financial Assistance, as the case may be.

2.5 Assistance Agreement. "Assistance Agreement" or "Agreement" shall mean the Community Development Financial Institutions Program Assistance Agreement between the Fund and the Awardee, of which these General Award Terms and Conditions are a material part, including any Schedules and attachments hereto, as such Agreement may, from time to time, be amended in accordance with its terms.

2.6 Closing. "Closing" shall mean any proper execution and delivering of the Agreement and any other document connected herewith and/or any disbursement of Assistance by electronic funds transfer to an account designated by the Awardee. Pursuant hereto, there may be an initial Closing at which, for example, the Agreement and documents connected herewith will be properly executed and delivered and an initial disbursement connected herewith will be made. Subsequently, there may be a subsequent Closing or Closings at which subsequent disbursements

connected herewith will be made and any documents in addition to the Agreement that may be connected with such disbursements shall be properly executed and delivered by the Awardee to the Fund.

2.7 Community Development Financial Institution. "Community Development Financial Institution" or "CDFI" shall mean any entity certified as a CDFI by the Fund pursuant to 12 C.F.R. § 1805.201 of the Community Development Financial Institutions Program Regulations (as hereinafter defined), with such certification indicating that the entity meets the CDFI eligibility requirements set forth in the Community Development Financial Institutions Program Regulations, including, without limitation, 12 C.F.R. § 1805.200 thereof.

2.8. CDFI Fund or Fund. "CDFI Fund" or "Fund" shall mean the Community Development Financial Institutions Fund.

2.9 Community Development Financial Institutions Program. "Community Development Financial Institutions Program" or "CDFI Program" shall mean the program authorized by the Act and implemented pursuant to the Community Development Financial Institutions Program Regulations.

2.10 Community Development Financial Institutions Program Regulations. "Community Development Financial Institutions Program Regulations" or "CDFI Program Regulations" shall mean the regulations set forth in 12 C.F.R. Parts 1805 and 1815, as the same may, from time to time, be amended.

2.11 Comprehensive Business Plan. "Comprehensive Business Plan" or "Business Plan" shall mean the business plan submitted by the Awardee in connection with its Application.

2.12 Effective Date. "Effective Date" shall mean the date, as determined by the Fund, that the Awardee has returned an executed copy of this Assistance Agreement, along with all required supporting documentation, including either the opinion of counsel (Schedule 2-A of this Agreement) or the Certificate of the Secretary (Schedule 2-B), as applicable.

2.13 Financial Assistance or FA. "Financial Assistance" or "FA" shall mean funds provided by the CDFI Fund through the CDFI Program in the form of an equity investment (including, in the case of certain insured credit unions, secondary capital accounts) a grant, loan, deposit, credit union shares, or any combination thereof.

2.14 Financial Assistance Component or FA Component. "Financial Assistance Component" or "FA Component" refers to the component of the CDFI Program through which Financial Assistance and, as applicable, Technical Assistance awards are made by the Fund, pursuant to the CDFI Program Regulations.

2.15 Insider. "Insider" shall mean any director, officer, employee, principal shareholder (owning, individually or in combination with family members, five percent or more of any class

of stock), or agent (or any family member or business partner of any of the above) of the Awardee or of any Affiliate or Community Partner of the Awardee.

2.16 Investment Area. “Investment Area” shall mean the geographic area meeting the requirements set forth in 12 C.F.R. § 1805.201(b)(3)(ii). For purposes of the Assistance Agreement, the Awardee’s Investment Area consists of the geographic area designated in the Awardee’s most recently approved CDFI certification memorandum or other documentation (or amendment thereto) located in the Awardee’s certification file at the Fund.

2.17 Low-Income. “Low-Income” means an income as defined in accordance with the CDFI Program Regulations at 12 C.F.R. § 1805.104 (dd).

2.18 Matching Funds. “Matching Funds” shall mean the funds referenced and/or described in Section 3.2(c) and Schedules 3-A, 3-B and 3-C.

2.19 myCDFIFund. “myCDFIFund” means a location at the Fund’s website, accessible to the Awardee and the Fund, through which the Awardee will submit certain information to the Fund (see Schedules 6 and 7-A).

2.20 Native American Community. “Native American Community” shall mean a Native American, Alaska Native, or Native Hawaiian population, land or Census-equivalent entity (with the exception of State or Tribal Designated Statistical Areas).

2.21 Native American CDFI. “Native American CDFI” shall mean a CDFI that has at least 50 percent of its activities directed to benefit one or more Native American Communities.

2.22 Native American CDFI Development Program or NACD Program. “Native American CDFI Development Program” or “NACD Program” shall mean the program through which Technical Assistance awards are made by the Fund to organizations that plan to create Native American CDFIs.

2.23 Native American Technical Assistance Component or NATA Component. “Native American Technical Assistance Component” or “NATA Component” shall mean the component of the CDFI Program through which Technical Assistance awards are made by the Fund, pursuant to the CDFI Program Regulations, to Native American CDFIs or entities proposing to become Native American CDFIs.

2.24 Performance Goals. “Performance Goals” shall mean the performance goals and measures as described in Section 3.2(d) and Schedule 7-A.

2.25 Program Income. “Program Income” shall mean gross income earned by an Awardee that is directly generated by a supported activity or earned as a result of the Fund’s award of assistance in the form of a financial assistance grant and/or a technical assistance grant (hereinafter the “grant assistance”). Program Income includes, but is not limited to, gross income from: fees for services performed that were funded or supported by the Fund’s grant

assistance; the use or rental of real or personal property acquired with or supported by the Fund's grant assistance; license fees and royalties on the patents and copyrights on processes or works that were funded or supported by the Fund's grant assistance; and payments of principal received on loans and interest earned on loans made using the Fund's grant assistance. Interest earned on Advances of Technical Assistance is not Program Income.

2.26 Subsidiary. "Subsidiary" shall have the same meaning as defined in 12 C.F.R. § 1805.104(hh).

2.27 Targeted Population. "Targeted Population" shall mean the individuals or identifiable group of individuals meeting the requirements of 12 C.F.R. § 1805.201(b)(3)(iii) of the CDFI Program Regulations. For purposes of the Assistance Agreement, the Awardee's Targeted Population consists of the individuals or identifiable group of individuals designated in the Awardee's most recently approved CDFI certification memorandum or other documentation (or amendment thereto) located in the Awardee's certification file at the Fund.

2.28 Technical Assistance. "Technical Assistance" shall mean funds, provided in the form of a grant by the Fund, to fund the purchase of technology, consulting services, training, in some cases staff salary to enhance the capacity of the Awardee, and/or such other uses as have been approved by the Fund and set forth in this Agreement.

2.29 Technical Assistance Component or TA Component. "Technical Assistance Component" or "TA Component" refers to the component of the CDFI Program through which Technical Assistance awards are made by the Fund, pursuant to the CDFI Program Regulations.

ARTICLE III

THE ASSISTANCE; CLOSINGS; DISBURSEMENTS; FUND RECEIPT OF LOAN PAYMENTS, INVESTMENT INCOME AND EQUITY REDEMPTIONS; PROGRAM INCOME

3.1 The Assistance. At all Closings connected herewith, including without limitation, any initial Closing and any subsequent Closing(s), and subject to all of the terms and conditions hereof and in reliance upon all representations, warranties, assurances, certifications and agreements contained herein, the Fund hereby agrees to provide to the Awardee, subject to the availability of funds, and the Awardee hereby agrees to accept from the Fund, the Assistance.

3.2 Closing(s). The obligation of the Fund to provide any or all of the Assistance to the Awardee at any Closing connected herewith is subject to the fulfillment, as determined by the Fund, in its sole discretion, of the following conditions precedent, each of which shall be fulfilled prior to any Closing(s) connected herewith, to the satisfaction of the Fund.

- (a) Performance; Representations and Warranties. As of the initial Closing, (i) the Awardee shall have performed and complied with all applicable agreements and conditions contained herein required to be performed or complied with by it and

(ii) the representations and warranties set forth in this Agreement and the Assurances and Certifications contained in the Application shall be true and correct in all material respects.

- (b) (i) Opinion of Awardee Counsel. [Applicable to any Financial Assistance in the form of a Loan; an Equity Investment; a Secondary Capital or Deposit investment; a Financial Assistance Grant in an amount greater than \$500,000; or any combination thereof.] Unless otherwise determined by mutual agreement of the Fund and the Awardee, the Fund shall have received from counsel for the Awardee, a favorable opinion satisfactory in scope, form, and substance to the Fund and the Fund's counsel, with respect to the matters set forth on Schedule 2-A. Such opinion shall also cover such other matters incident to the transactions contemplated hereby as the Fund or its counsel may require.

OR

(ii) Certificate of the Secretary. [Applicable to any Assistance in the form of Financial Assistance in an amount equal to or less than \$500,000 or a Technical Assistance Grant.] Unless otherwise determined by mutual agreement of the Fund and the Awardee, the Fund shall have received from the Awardee's Secretary (or the Awardee's Chief Executive, if there is no Secretary of the Awardee), a certification to such effect in the form attached hereto as Schedule 2-B.

- (c) Matching Funds. For Financial Assistance, the Fund shall have received evidence satisfactory in substance and form to the Fund that the Awardee has secured the required Matching Funds as described in Schedule 3. The Awardee must raise from non-Federal government sources not less than one dollar for each dollar of Financial Assistance provided by the Fund hereunder. Community Development Block Grant Program and other funds provided pursuant to the Housing and Community Development Act of 1974, as amended (42 U.S.C. § 5301 et seq.), shall be considered Federal government funds and may not be used to satisfy this Matching Funds requirement. Matching Funds must be at least comparable in form and value to the Financial Assistance provided hereunder. The Fund, in its sole discretion, will determine whether proposed Matching Funds are comparable in form and value to the Financial Assistance provided hereunder.
- (d) Performance Goals. The Fund and the Awardee shall have determined, by mutual agreement, the Performance Goals for the Awardee as required by 12 U.S.C. § 4707(f) and the CDFI Program Regulations. Such Performance Goals are set forth in Schedule 7-A attached hereto and based upon the Comprehensive Business Plan of the Awardee. Nothing herein is intended or should be construed to prevent the Awardee from developing, adopting and/or revising a business strategy as it deems appropriate in the best interests of the Awardee, provided such activities by the Awardee do not result in the Awardee's failure to comply

with these General Award Terms and Conditions and all Schedules or other provisions of the Assistance Agreement.

- (e) Proceedings and Documents. All corporate and other proceedings in connection with the transactions contemplated by the Assistance Agreement and all documents and instruments incident to such transactions shall be satisfactory in substance and form to the Fund, and the Fund shall have received from the Awardee all such counterpart originals or certified or other documents as the Fund may reasonably request.

3.3 Disbursements.

- (a) If, at any Closing connected herewith, any of the conditions specified herein or in any document connected herewith shall not have been fulfilled to the satisfaction of the Fund, the Fund will, in its sole discretion, elect not to effect such Closing until such time as said conditions shall be fulfilled to the satisfaction of the Fund.
- (b) The Fund will not disburse any Assistance pursuant hereto until the Awardee has satisfied all conditions precedent to receiving such Assistance, including, but not limited to, the Awardee being in compliance with the terms and conditions of any prior award from the Fund. However, if the Assistance provided hereunder is through the NATA Component and the Awardee is noncompliant with the terms and conditions of a prior award, the Fund may disburse the Assistance if the Fund determines, in its sole discretion, that the Assistance will address an operation issue relating to the noncompliance and will build the capacity of the Awardee to cure the noncompliance.
- (c) The Fund will not disburse any Financial Assistance until the Awardee has received (and provided to the Fund satisfactory evidence of such receipt) the required Matching Funds connected with the Financial Assistance. In accordance with 12 C.F.R. § 1805.803, Financial Assistance disbursed by the Fund to the Awardee will not exceed the amount of Matching Funds for which the Awardee has provided satisfactory evidence of receipt on or before the applicable Closing. The Fund will require the Awardee to certify to the Fund the amount of Matching Funds received on or before the applicable Closing.
- (d) If the Financial Assistance is in the form of a Loan and/or an Equity Investment, the Fund will not disburse such Financial Assistance until the Awardee delivers to the Fund, as applicable, the original signed Promissory Note and/or the original signed Stock certificate(s), duly registered in the name of the Fund for the number of shares of Stock to be issued and sold to the Fund on or before the applicable Closing.
- (e) The Awardee is responsible for the accuracy of its banking information in myCDFIFund and/or the ACH form, as applicable. In the event that the Awardee provides inaccurate, non-current or incomplete banking information, the Fund is not

responsible for reimbursement or payment to the Awardee for any Assistance transferred to an incorrect account.

3.4 Fund Receipt of Loan Repayments, Interest Earned on Deposits, Investment Income and Equity Investment Redemptions. If the Financial Assistance is in the form of a loan, certificate of deposit, or secondary capital, and periodic payments are due to the Fund (for example, loan repayments, payment of dividends or interest), the Awardee must complete a Pre-Authorized Disbursement (PAD) form (see Schedule 9-D if a loan, or Schedule 10-H, if a certificate of deposit or secondary capital), which will include the Awardee's banking information and authorization for the Fund to debit automatically the Awardee's bank account for the amount of the periodic payment due to the Fund.

3.5 Authorized Uses of Program Income. Any Program Income derived by the Awardee from the Assistance provided under the terms of the Assistance Agreement shall be used by the Awardee solely to further the objectives of its Comprehensive Business Plan.

3.6 Restrictions on the Use of Program Income.

- (a) The Awardee shall not use any Program Income in a manner other than as authorized hereunder, unless the Awardee consults with and obtains the prior written approval of the Fund.
- (b) The Awardee shall not use any Program Income earned hereunder to pay any person to influence or attempt to influence any agency, elected official, officer or employee of a State or local government in connection with the making, award, extension, continuation, renewal, amendment, or modification of any State or local government contract, grant, loan or cooperative agreement as such terms are defined in 31 U.S.C. § 1352.
- (c) The Awardee shall not use any Program Income to pay any costs incurred in connection with (i) any defense against any claim or appeal of the United States Government, any agency or instrumentality thereof (including the Fund), against the Awardee, or (ii) any prosecution of any claim or appeal against the United States Government, any agency or instrumentality thereof (including the Fund), which the Awardee instituted or in which the Awardee has joined as a claimant.

ARTICLE IV REPRESENTATIONS AND WARRANTIES

The Awardee hereby represents and warrants to the Fund the following:

4.1 Organization, Standing and Powers. The Awardee is a validly existing Tribal or Village government, or an entity validly existing and in good standing under federal law or the laws of the state or Tribe of its legal formation and has all requisite power and authority to own and

operate its assets and properties, to carry on its business as it is now being conducted and to carry out its proposed, hereby authorized use(s) of the Assistance provided hereunder.

4.2 Qualification. The Awardee is duly qualified, in good standing and authorized to transact business in each jurisdiction where the conduct of the Awardee's business, the carrying out of its proposed, hereby authorized use(s) of the Assistance to be provided hereunder or the ownership of its assets and properties requires such qualification, or, if not so qualified, the Awardee's failure so to qualify shall not have a material adverse effect on the Awardee, its financial condition or operations and will not impair the Awardee's ability to carry out its proposed, hereby authorized use(s) of the Assistance to be provided hereunder or its right to enforce any material agreement to which it is a party.

4.3 Authorization; Consents. The execution, delivery and performance by the Awardee of the Assistance Agreement and the carrying out of its proposed, hereby authorized use(s) of the Assistance provided hereunder are within the Awardee's corporate powers and have been duly authorized by all requisite corporate action. No consent, license, approval, authorization, qualification, exemption, franchise, designation, permit or order of, notice to or declaration or filing with, any third party, including, without limitation, any governmental entity, is required in connection with the conduct of the Awardee's business or in connection with the valid execution, delivery and performance by the Awardee of the Assistance Agreement or any documents or agreements connected herewith or the carrying out of the proposed, hereby authorized use(s) of the Assistance to be provided hereunder.

4.4 Execution and Delivery; Binding Agreement. The Assistance Agreement and all documents connected therewith have been or will be, on or before the Effective Date, duly authorized, executed and delivered on behalf of the Awardee and constitute, on or before the Effective Date, legal, valid and binding obligations of the Awardee enforceable in accordance with their respective terms.

4.5 No Conflicts. The execution, delivery and performance by the Awardee of the Assistance Agreement and the carrying out of the proposed, hereby authorized uses(s) of the Assistance provided hereunder shall not result in any violation of and shall not conflict with, or result in a breach of any of the terms of, or constitute a default under, any provision of Federal or State law to which the Awardee is subject, the Awardee's incorporation, charter, organization, formation or otherwise establishing documentation, bylaws or any agreement, judgment, writ, injunction, decree, order, rule or regulation to which the Awardee is a party or by which it is bound.

4.6 Litigation. The Awardee has neither actual nor constructive knowledge of any suit, action, proceeding or investigation pending or threatened that questions the validity of the Assistance Agreement or any action taken or to be taken pursuant hereto or contemplated hereby including, but not limited to, the carrying out of the proposed, hereby authorized use(s) of the Assistance to be provided hereunder.

4.7 Compliance with Other Instruments. The Awardee is not, and at any Closing connected herewith will not be, in violation of any provision of its incorporation, charter, organization, formation or otherwise establishing documents, or of any loan agreement or other material agreement to which it is a party. The Awardee is not, and at any Closing connected herewith will not be, in violation of any instrument, judgment, decree, order, statute, rule or governmental regulation applicable to it, the violation of which might have a material adverse effect on the business, affairs, operations, or condition of the Awardee.

4.8 Disclosure. Neither the Assistance Agreement nor any attachment thereto, nor any certification or other document referenced or incorporated herein or therein and furnished to the Fund by the Awardee contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements contained herein or therein, in light of the circumstances under which they were made, not misleading. The Awardee has disclosed, in writing, to the Fund all facts that might reasonably be expected to result in a material adverse effect upon the Awardee's ability either to conduct its principal business or to carry out its proposed and herein authorized use of the Assistance to be provided hereunder. The Awardee has not knowingly and willfully made or used a document or writing containing any false, fictitious or fraudulent statement or entry as part of its correspondence or communication with the Fund. The Awardee acknowledges, under 18 U.S.C. § 1001, that if it knowingly and willfully makes or uses such document or writing it or its employee(s) or agents shall be fined or imprisoned for not more than five years, or both.

4.9 Taxes; Debts; Bankruptcy. The Awardee is not delinquent on any debts owed to Federal, State, local or Tribal governments including, but not limited to, amounts due under the Internal Revenue Code, and has never filed for bankruptcy nor had a conservator appointed. The Awardee has neither actual nor constructive knowledge of any pending or anticipated bankruptcy filings or conservatorship appointments on its behalf.

4.10 Debarment, Suspension and Other Responsibility Matters. Neither the Awardee nor any of its principals: (a) are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency; (b) within a three-year period prior to the Effective Date, have been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction, violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property; (c) are presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in (b) above; or (d) within a three-year period prior to the Effective Date, have had one or more public transactions (Federal, State, or local) terminated for cause or default.

4.11 Status as a CDFI.

- (a) For Financial Assistance Component Awardees: Since its certification as a CDFI by the Fund, the Awardee has neither actual nor constructive knowledge of any changes that may adversely affect its status as a certified CDFI.
- (b) For Technical Assistance Component, NATA Component and NACD Program Awardees: The Awardee has neither actual nor constructive knowledge of any events or pending matters that may adversely affect its application for certification as or of a CDFI or status as a certified CDFI, as the case may be.

ARTICLE V COVENANTS AND AGREEMENTS OF THE AWARDEE

Until the termination of the Assistance Agreement pursuant to Section 7.12 of the General Award Terms and Conditions (except with respect to Section 5.4 hereof which shall remain in effect for three years following the expiration hereof pursuant to said section), the Awardee shall duly perform and observe each and all of the following covenants and agreements:

5.1 Compliance with Government Requirements. In carrying out its responsibilities pursuant to the Assistance Agreement, the Awardee shall comply with all applicable Federal, State, local and Tribal laws, regulations, ordinances, Office of Management and Budget (OMB) Circulars, and Executive Orders.

5.2 Fraud, Waste and Abuse. If the Awardee becomes aware at any time of the existence or apparent existence of fraud, waste or abuse of Assistance provided pursuant to the Assistance Agreement, the Awardee shall promptly report such incidence(s) to the Office of Inspector General of the U.S. Department of the Treasury.

5.3 Right to Inspect and Audit. The Awardee shall submit such financial and activity reports, records, statements and documents as may be required by the Fund and the U.S. Department of the Treasury to ensure compliance with the Assistance Agreement. The United States Government including, but not limited to, the U.S. Department of the Treasury and the Comptroller General, and their duly authorized representatives, shall have full and free access during reasonable business hours to the Awardee's offices and facilities and all books, documents, records and financial statements relevant to the Assistance provided hereunder. The Awardee shall permit any of these authorities to copy such documents as they deem appropriate, except as proscribed in 12 C.F.R. § 1805.804(f)(5). The purposes of such inspections and/or audits will include, but not be limited to, ensuring that representations, warranties, covenants, and/or certifications are accurate. The Fund will, consistent with applicable law, maintain the confidentiality of all financial and other proprietary information disclosed to the Fund pursuant to this section.

5.4 Retention of Records. The Awardee shall comply with all record retention requirements set forth in OMB Circulars A-110 and A-102. Pursuant to this Circular, the Awardee shall retain all financial records, supporting documents, statistical records and any other records pertinent to the Assistance for a period of three years after the conditions in Section 7.12 have all been met.

5.5 General Data Collection. The Awardee shall maintain such records as reasonably may be necessary to:

- (a) disclose the manner in which the Assistance provided hereunder is used;
- (b) demonstrate compliance with the requirements of the CDFI Program Regulations and the Assistance Agreement; and
- (c) evaluate the accomplishments of the CDFI Program.

5.6 Equal Credit Opportunity Act. The Awardee shall provide its products and services in a manner that is consistent with the Equal Credit Opportunity Act (15 U.S.C. § 1691), to the extent that the Awardee is subject to the requirements of such Act.

5.7 Certain Insider Activities. The Awardee shall comply with the restrictions on Insider activities set forth at § 1805.807 of the CDFI Program Regulations.

5.8 Maintain CDFI Certification (if applicable); Maintain Status as an Insured Credit Union, Depository Institution Holding Company or Insured Depository Institution (if applicable).

- (a) For Financial Assistance Component Awardees: The Awardee shall do all things necessary to preserve, renew and keep in full force and effect its certification as a CDFI.
- (b) For Technical Assistance Component, NATA Component and NACD Program Awardees: The Awardee shall either, as applicable, (i) do all things necessary to preserve, renew and keep in full force and effect its certification as a CDFI (or, in the case of NACD Program Awardees, the certification of the entity it creates pursuant to this Assistance Agreement) or (ii) upon its certification as a CDFI do all things necessary to preserve, renew and keep in full force and effect its certification as a CDFI.
- (c) For Insured Credit Unions, Depository Institution Holding Company and Insured Depository Institution Awardees: In addition to meeting the requirements of Section 5.8 (a) or (b), as applicable, the Awardee shall do all things necessary to preserve, renew and keep in full force and effect its status as an Insured Credit Union, Depository Institution Holding Company or Insured Depository Institution, as applicable.

5.9 Advise the Fund of Certain Material Events. The Awardee shall promptly advise the Fund in writing in reasonable detail of any of the following events:

- (a) any proceeding instituted against the Awardee in, by or before any court, governmental or administrative body or agency, which proceeding or its outcome could have a material adverse effect upon the operations, assets or properties of the Awardee;
- (b) any material adverse change in the condition, financial or otherwise, or operations of the Awardee that would impair the Awardee's ability to carry out the authorized uses of the Assistance;
- (c) any substantial change in the business of the Awardee;
- (d) the loss of the Awardee's Insured Credit Union existence as defined in 12 U.S.C. § 1752(7) (if applicable);
- (e) the occurrence of any Event of Default, as that term is defined in Section 6.1 hereof, or any event which upon notice or lapse of time, or both, would constitute an Event of Default;
- (f) the merger or acquisition of the Awardee by or with another entity;
- (g) loss of the Awardee's Depository Institution Holding Company existence under 12 USC § 1813(w)(1) or Insured Depository Institution existence under 12 USC § 1813(c)(2) (if applicable);
- (h) a change in the Awardee's shareholders or organization that results in (i) the Fund's ownership of equity in the Awardee exceeding 50 percent and/or (ii) the Fund controlling the Awardee's operations; or
- (i) the debarment, suspension, exclusion or disqualification, by the Department of Treasury, or any other Federal department or agency, of any individual or entity (or principal thereof) that received any portion of the Assistance in a procurement or nonprocurement transaction, as defined in 31 C.F.R. §19.970.

5.10 Tracking Use of Assistance, Matching Funds and Interest Earned on Advances.

- (a) The Awardee must account for and track the use of the Assistance and the Matching Funds. For further information, see Schedules 3-A (Use of Matching Funds); 5-A (Technical Assistance); 5-B (Financial Assistance); 7-B (Financial Status Report, Form SF-269-A); and 7-C (Uses of FA and MF Report).
- (b) For every dollar of Financial Assistance received from the Fund, the Awardee must be able to verify how it was used. This requires the Awardee to establish a separate bank account solely for the Assistance, to enable the Awardee to identify the specific use of the Assistance. OMB Circular A-110, Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals and

Other Non-Profit Institutions, states that, as applicable, recipients of Federal funds “must be able to account for the receipt, obligation, and expenditure of funds.”

- (c) Further, OMB Circular A-110 states that non-profit recipients shall maintain advances of Federal funds in interest-bearing accounts and that the interest earned on such advances in excess of \$250 per year must be remitted annually to the Department of Health and Human Services. See OMB Circular A-110 for additional information and guidance.
- (d) The Awardee shall determine whether any individual or entity (or principal thereof), receiving any portion of the Assistance is currently debarred, suspended, excluded or disqualified by the Department of Treasury or any other Federal department or agency. The Awardee shall include in all of its procurement and nonprocurement contracts and agreements, between the Awardee and an individual or entity (or principal thereof) receiving any portion of the Assistance, a representation that such individual or entity (or principal thereof) is currently not debarred, suspended, excluded or disqualified by any Federal department or agency. Notwithstanding the foregoing, the above representations are not required in those procurement contracts in which the Awardee enters into for goods or services for less than \$25,000.

ARTICLE VI EVENTS OF DEFAULT AND REMEDIES

6.1 Events of Default. If any one or more of the following events occurs, the Fund, in its sole discretion, may find the Awardee to be in default:

- (a) fraud, mismanagement or noncompliance with the Act;
- (b) any representation, warranty, certification, assurance or any other statement of fact set forth in these General Award Terms and Conditions, the Assistance Agreement or the Application of the Awardee including, but not limited to, the Assurances and Certifications contained in the Application, or any representation or warranty set forth in any document, report, certificate, financial statement or instrument now or hereafter furnished in connection with the Assistance Agreement, is found by the Fund to be inaccurate, false, incomplete or misleading when made, in any material respect;
- (c) the failure of the Awardee to observe, comply with or perform any term, covenant, agreement or other provision contained in the CDFI Program Regulations, the Assistance Agreement including, but not limited to, the Performance Goals, or the Application including, but not limited to, the Assurances and Certifications contained therein or any instrument, note or any other document delivered to the Fund in connection with or pursuant to the Assistance Agreement;

- (d) the failure of the Awardee to conduct its business in the usual and ordinary course or to maintain its corporate existence and right to carry on its business and duly obtain all necessary renewals, licensing and extensions thereof and to maintain, preserve and renew all such rights, powers, privileges and franchises;
- (e) if the Assistance is in the form of an Equity Investment: (i) failure of the Awardee to abide by the terms and conditions of the stock issuance or (ii) any event that results in (A) a conversion or change of the form or transferability of the Assistance, (B) the Assistance constituting more than 50 percent of the equity of an Awardee, or (C) a determination that the Fund controls the operations of the Awardee;
- (f) if the Assistance is in the form of a loan: (i) failure of the Awardee to abide by the terms and conditions of the Note; (ii) default in the due and punctual payment of the principal, interest, or both on the Note when and as the same shall become due and payable; or (iii) default in the due and punctual payment of the principal, interest, or both on a debt instrument of the Awardee that evidences funds borrowed by the Awardee and used as Matching Funds hereunder when said default results in the instrument's holder initiating proceedings against the Awardee to make all payments under said instrument immediately due and payable;
- (g) the Awardee's becoming insolvent or unable to meet its obligations as they mature, making a general assignment for the benefit of creditors, or consenting to the appointment of a trustee or a receiver, or admitting in writing its inability to pay its debts as they mature;
- (h) the institution of bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings by or against the Awardee and, if instituted against it, the same being consented to by the Awardee or remaining undismissed for a period of thirty (30) calendar days.

6.2 Remedies. If the Fund finds the Awardee to be in default under Section 6.1, the Fund may, in its sole discretion, take any one or more of the following actions, subject to Section 6.4:

- (a) require changes in the Awardee's Performance Goals attached hereto and incorporated herein;
- (b) require changes in the Awardee's Comprehensive Business Plan defined herein;
- (c) revoke approval of the Awardee's Application;
- (d) revoke approval of any other applications submitted to the Fund by the Awardee under any of the Fund's programs, and declare such applications to be ineligible;

- (e) reduce or terminate the Awardee's Assistance authorized hereunder;
- (f) require repayment of any Assistance that has been distributed to the Awardee pursuant hereto;
- (g) render the Awardee ineligible to apply for additional Assistance from the Fund through future funding rounds;
- (h) require the Awardee to convene a meeting(s) of its board of directors at which meeting(s) the Fund will be given the opportunity to address the attendees with respect to the Fund's evaluations and concerns regarding the performance of the Awardee under the Assistance Agreement;
- (i) exercise the acceleration and/or default provisions of the Promissory Note, if the Assistance is in the form of a Loan, and/or exercise the redemption and/or default provisions of the stock documents, if the Assistance is in the form of an Equity Investment; and/or
- (j) take such other actions as the Fund deems appropriate including, but not limited to, suspension or revocation of CDFI certification.

6.3 No Waiver. No course of dealing on the part of the Fund or any delay or failure on the part of the Fund to exercise any right herein will operate as a waiver of the right or otherwise prejudice the Fund's rights, powers and remedies under the Assistance Agreement, the Act, the CDFI Program Regulations or any other applicable law or regulation.

6.4 Notice of Default; Time to Cure. Prior to exercising or imposing any remedy contained herein, the Fund will, to the maximum extent practicable, provide the Awardee with written notice of the default and the prescribed remedy (or remedies). Unless otherwise specified in the notice, Awardee shall have thirty (30) days from the date thereof to cure the default. If the Awardee believes that the default is of such a nature that it cannot be cured within the time set forth in the notice, then the Awardee may, within five (5) days of the date of the notice, request, in writing, additional time to cure the default. If the Fund determines, in its sole discretion, that such additional time is necessary, then the Fund may extend the cure period. If the Fund does not extend the cure period, as outlined above, and the Awardee fails to cure the default within the 30-day (or other period specified in the written notice) cure period, the Fund may, in its sole discretion, impose or exercise the remedy (or remedies) set forth in its written notice, and any other remedy to which it might be entitled hereunder, or in law or at equity. Nothing in the Assistance Agreement, however, will create in the Awardee any right to any formal or informal hearing or comparable proceeding not otherwise required by law.

Notwithstanding the foregoing, if the Fund determines, in its sole discretion, that the Awardee has engaged in fraud, mismanagement, or other prohibited misconduct, or that the default is of

such a nature that it cannot be cured, the Fund may, in its sole discretion, impose the prescribed remedy (or remedies) without notice, except as may be required by law.

ARTICLE VII MISCELLANEOUS

7.1 Notices. All notices, requests, demands, consents, waivers and other communications given under any provision of the Assistance Agreement shall be in writing and shall be delivered by hand, mailed by postage-prepaid first-class mail or delivered by overnight courier service, to the addresses indicated below, or to such different address or addresses as the addressee may have specified in a notice duly given to the sender:

If to the Fund: Community Development Financial Institutions Fund
 Department of the Treasury
 Attention: Grants Management and Compliance Manager
 601 13th Street, NW, Suite 200 South
 Washington, DC 20005

If to the Awardee: the Awardee's address as stated in this Assistance Agreement or in myCDFIFund, whichever is most current.

All notices and other communications from the Awardee to the Fund must include the Award Number and the Awardee's Employer Identification Number (EIN).

7.2 Entire Agreement. The Assistance Agreement, including the General Award Terms and Conditions and all Schedules attached thereto, the Application and the attachments, exhibits, appendices and supplements to the Application, and the Notice of Award, between the Awardee and the Fund with respect to the obligation of funds necessary to provide Assistance to the Awardee contain the entire agreement of the parties with respect to the subject matter hereof and supersede all prior agreements or understandings, written or oral, in respect thereof, and no change, modification or waiver of any provision hereof shall be valid unless in writing and signed by the party to be bound. The Application, including any attachments, exhibits, appendices and supplements thereto, any attachments, schedules, exhibits, appendices and supplements to the Assistance Agreement, and said Notice of Award are incorporated in and made a part of this Agreement.

7.3 Assignment. The Awardee may not assign, pledge or otherwise transfer any rights, benefits or responsibilities of the Awardee under the Assistance Agreement without the prior written consent of the Fund. In addition, any assignment by the Awardee shall comply, to the extent applicable, with the Assignment of Claims Act, codified at 31 U.S.C. § 3727.

7.4 Successors. The rights, benefits and responsibilities of each of the parties to the Assistance Agreement shall inure to their respective successors, subject to this Section 7.4. If the

Awardee merges with or is acquired by another entity, the Fund reserves the right to request information from and examine the new entity, which acquired or merged with the Awardee, to determine its acceptability as an Awardee. If the Fund determines that the new entity is not eligible or acceptable as an Awardee, or if the new entity does not agree to abide by all the provisions of the Assistance Agreement and shall continue operations and performance as if there were no interruption in the parties to the Assistance Agreement, the Fund may terminate the continued provision of Assistance under the Assistance Agreement and take any or all remedies it deems appropriate in accordance with Sections 6.2 and 6.4 hereof.

7.5 Severability. If any provision of the Assistance Agreement shall for any reason be held to be illegal, invalid or unenforceable, such illegality, invalidity or unenforceability shall not affect any other provision of the Assistance Agreement, and the Assistance Agreement shall be construed as if such illegal, invalid or unenforceable provision had never been contained herein.

7.6 Applicable Law. The Assistance Agreement shall be governed by and construed in accordance with Federal law to the extent such Federal law is applicable, and to the extent Federal law is not applicable, the Assistance Agreement shall be governed by and construed in accordance with the law of the State of incorporation of the Awardee.

7.7 Disclaimer of Relationships.

- (a) The Awardee shall not be deemed to be an agency, department or instrumentality of the United States merely by virtue of it being an Awardee.
- (b) Nothing in the Assistance Agreement, nor any act of the Fund or the Awardee, shall be construed by either of them, or by a third party, to create any relationship of third-party beneficiary, principal and agent, limited or general partner or joint venture, or of any association or relationship whatsoever involving the Fund.
- (c) Notwithstanding any other provision of law, the Fund shall not be deemed to control the Awardee by reason of any Assistance provided hereunder for the purpose of any other applicable law, provided that the Fund does not own more than 50 percent of the equity of the Awardee.

7.8 Counterparts. The Assistance Agreement may be executed in counterparts, each of which shall constitute an original but all of which together shall constitute one and the same instrument.

7.9 Headings. The headings contained in the Assistance Agreement are for convenience only and shall not affect the meaning or interpretation of the Assistance Agreement.

7.10 Amendments.

- (a) The terms of the Assistance Agreement may be amended, modified, or supplemented by the mutual written consent of the parties hereto.

- (b) If the Awardee proposes to make an amendment to the Assistance Agreement, it must submit a request, in writing, to the Fund's Grants Management and Compliance Manager at least three (3) months prior to the date being modified or the ending date of the applicable reporting period.
- (c) Notwithstanding the above, the Fund may, upon reasonable notice to the Awardee, unilaterally amend the Assistance Agreement for the sole purpose of making ministerial or administrative changes or correcting scrivener's errors.

7.11 Survival of Representations and Warranties. All representations, warranties, covenants, and agreements made by the Awardee in the Assistance Agreement or the Application, including, without limitation, all Assurances and Certifications contained in the Application, or in any document, report, certificate, financial statement, note or instrument now or hereafter furnished in connection with the Assistance Agreement shall survive the execution and delivery of the Assistance Agreement and the provision of any Assistance pursuant hereto.

7.12 Termination. Unless otherwise mutually agreed upon in writing by the parties hereto, the Assistance Agreement shall terminate when all of the following conditions have been met:

- (a) the Fund determines that the Awardee has submitted to the Fund the reports and surveys required by Schedule 6 covering activity through the Termination Date;
- (b) the Fund determines that all Assistance provided hereunder has been used as permitted hereby; and
- (c) the Fund determines that the Awardee has met all of its Performance Goals.

Notwithstanding the above, if the Assistance is in the form of a loan, deposit or an equity investment, the terms, conditions and mutual covenants related to said Assistance, except for Schedules 3-A, 5-A, and 5-B, will continue until such time that the Fund ceases to own the equity investment and the Fund determines that the loan and/or deposit and all accrued and unpaid interest and, if applicable, late fees thereon have been paid in full.

7.13 Applicability of Criminal Provisions. The criminal provisions of 18 U.S.C. § 657 regarding embezzlement or misappropriation of funds are applicable to all Awardees and Insiders.

7.14 Disclosure of Awardee Reports by Fund. The Fund will, consistent with applicable law, make reports described in Schedule 6 hereof available for public inspection after deleting any materials necessary to protect privacy or proprietary interests.

7.15 Limitation on Fund and Federal Liability. The liability of the Fund and the United States Government arising out of the provision of any Assistance to the Awardee hereunder shall be limited to the amount of such Assistance. The Fund shall be exempt from any assessments and other liabilities that may be imposed on controlling or principal shareholders by any Federal law

or the law of any State, Territory or the District of Columbia. Nothing herein is intended or should be construed to affect the application of any Federal tax law.

7.16 Compliance with Non-Discrimination Statutes. The Awardee shall comply with all Federal statutes relating to non-discrimination, including, but not limited to: Title VI of the Civil Rights Act of 1964; Title IX of the Education Amendments of 1972; Section 504 of the Rehabilitation Act of 1973; the Age Discrimination Act of 1975; the Drug Abuse Office and Treatment Act of 1972; the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970; §§ 523 and 527 of the Public Health Service Act of 1912; and Title VIII of the Civil Rights Act of 1968.

Award No.: _____

Awardee: _____

OPINION OF COUNSEL

[This form must be submitted to the Fund on the Awardee's counsel's letterhead]

[Date]

TO: Community Development Financial Institutions Fund
601 13th Street, N.W., Suite 200 South
Washington, D.C. 20005
Attention: Grants Management and Compliance Manager

RE: FY 2003 CDFI Program Award
[Name of Awardee] [Award No. _____]

Dear Ladies and Gentlemen:

The undersigned firm represents the above-referenced Awardee as counsel in connection with an award of funds through the Fiscal Year 2003 funding round of the Community Development Financial Institutions (CDFI) Program of the CDFI Fund. We have reviewed such laws and regulations, and made such other investigations of law, as we have deemed appropriate. We have also reviewed the Assistance Agreement and such other documents and records as we have deemed necessary to render this opinion. Capitalized terms contained herein shall have the same meaning assigned to them in the Assistance Agreement.

Based upon the foregoing, the undersigned is of the opinion that:

1. Organization, Standing and Powers. The Awardee is validly existing and in good standing (if applicable) under the laws of the State of _____ and it is legally authorized to transact business in each jurisdiction in which it is authorized to use the Assistance to the extent such authorization is required to carry out the authorized use(s) of the Assistance.
2. Authorization; Consents. The execution, delivery and performance by the Awardee of the Assistance Agreement are within the Awardee's corporate powers and have been duly authorized by all requisite corporate action and no additional authorizations are required which have not been previously obtained.
3. Execution and Delivery; Binding Agreement. The Assistance Agreement and all documents related thereto to which the Awardee is a party and executed and delivered by

the Awardee as of the date hereof constitute the legal, valid and binding obligations of the Awardee enforceable in accordance with their respective terms.

4. No Conflicts. The execution, delivery and performance by the Awardee of the Assistance Agreement shall not result in any violation of and shall not conflict with, or result in a breach of any of the terms of, or constitute a default under any provision of the Awardee's incorporation, charter, organization, bylaws or other establishing documents or to our knowledge any provision of Federal or State law which the Awardee is subject or any agreement, judgment, writ, injunction, decree, order, rule or regulation to which the Awardee is a party or by which it is bound.
5. Litigation. To our knowledge, there is no suit, action, proceeding or investigation pending or threatened against the Awardee that questions the validity of the Assistance Agreement or any action taken or to be taken pursuant thereto.
6. If the Assistance is in the form of a Loan:

Authorization and Legality of the Note. The Note has been duly and validly executed and authorized, and the issuance of the Note to the Fund has been duly executed and authorized by the board of directors of the Awardee. No further authorization or approval is required for the issuance of the Note. When delivered to the Fund, the Note will be validly issued.

The Offering. The offer, issue, sale and delivery of the Note constitute exempted transactions under the applicable State securities laws as now in effect, and the registration thereof under State securities laws as now in effect, is not required.

7. If the Assistance is in the form of an Equity Investment:

Authorization and Legality of the Stock. The board of directors of the Awardee has duly authorized the issuance and sale of the Stock to the Fund to be issued pursuant to the Assistance Agreement, and the certificates evidencing the Stock have been duly executed and delivered by the Awardee. No further approval or authorization of the board of directors or the shareholders of the Awardee will be required for the issuance and delivery of the Stock. The Stock will be, at the time of issuance and delivery, validly issued and outstanding and fully paid and nonassessable. The Stock has been reserved for issuance by all necessary corporate action on behalf of the Awardee. All of the issued and outstanding capital stock of the Awardee has been offered, issued and sold by the Awardee in compliance with the Securities Act of 1933 (the "1933 Act") and State securities laws.

The Offering. The offer, issue, sale and delivery of the Stock under the circumstances contemplated by the Assistance Agreement constitute exempted transactions under the 1933 Act and applicable State securities laws as now in effect, and the registration thereof under the 1933 Act or state securities laws as now in effect, is not required.

This opinion is based upon the laws of the State(s) of _____ and the Federal laws of the United States. This opinion is rendered solely in connection with the Fund's provision of the Assistance to the Awardee. Accordingly, it may be relied upon only by the Fund and may not be relied upon by any other party for any other purpose.

Firm Name

By: _____

Award No.: _____

Awardee: _____

CERTIFICATE OF THE SECRETARY

I hereby certify that I am the duly elected, qualified and acting Secretary of the Awardee, and that:

1. This Certificate is delivered pursuant to the Assistance Agreement entered into between the Awardee and the Community Development Financial Institutions Fund (the "Fund") for the above-referenced Award. All capitalized terms used herein and not otherwise specifically defined have all the respective meanings ascribed to them in the Assistance Agreement.
2. The representations and warranties set forth in the Assistance Agreement and the Assurances and Certifications contained in the Application are true and correct in all material respects as of the date hereof and as of the Effective Date.
3. The Awardee is in good standing under the laws of the state of its incorporation and the laws of the State(s) in which it is registered to conduct business. Attached hereto is a Certificate of Good Standing issued by the Secretary of State of the State of the Awardee's incorporation, certifying as to the valid existence and good standing of the Awardee in said state.
4. The Awardee has performed and complied with all applicable agreements and conditions required by the Assistance Agreement to be performed or complied with by it before or at the Closing.
5. _____[insert name of authorized representative], the _____[insert title of authorized representative] of the Awardee, is duly authorized to execute the Assistance Agreement on behalf of the Awardee.

IN WITNESS WHEREOF, I have signed this Certificate in the capacity indicated below as of this _____ day of _____, _____.

By:

Name:

Secretary

The undersigned, _____[insert name of authorized representative], hereby certifies that _____[insert name of the Secretary] is the Secretary of the Awardee and that the signature set forth above is known to me to be his/her genuine signature.

By: _____
Name:
Title:

[Attach Certificate of Good Standing]

Award No.: _____

Awardee: _____

AUTHORIZED USES OF MATCHING FUNDS

1. Authorized Uses of Matching Funds. The Awardee may use the Matching Funds to support its Comprehensive Business Plan. Specifically, the Awardee may use the Matching Funds to support its activities in the following areas, as such terms are defined in this Assistance Agreement:

- Affordable Housing Financial Products
- Development Services Financial Products
- Economic Development Financial Products
- Consumer Loans and Financial Services
- Other uses that directly or indirectly support the activities in the Awardee's Comprehensive Business Plan.

Related definitions:

Affordable Housing includes activities that: (i) promote the supply of housing through the provision of acquisition, pre-development, construction, rehabilitation, permanent and other similar financing, and/or (ii) increase homeownership through the provision of first mortgage financing, subordinated mortgages (for home purchase and rehabilitation).

Consumer Loans means personal (secured and unsecured) loans to one or more individuals for health, education, emergency, credit repair, debt consolidation and consumer purposes. To the extent possible, personal loans for business purposes should be identified as microenterprise or business loans, and personal loans for home improvement or repair should be identified as housing loans.

Development Services means activities that promote community development and are integral to the Awardee's provision of Financial Products and Financial Services. Such services shall prepare or assist current or potential borrowers or investees to utilize the Financial Products or Financial Services of the Awardee. Such services include, for example: financial or credit counseling to individuals for the purpose of facilitating home ownership, promoting self-employment, or enhancing consumer financial management skills; or technical assistance to borrowers or investees for the purpose of enhancing business planning, marketing, management, and financial management skills.

Economic Development includes activities that support job creation and retention and the growth of businesses through (i) loans, Equity Investments and other similar financing to for-profit small businesses, microenterprises, and commercial real estate other than Community Facilities and (ii) Community Organization Support.

Community Facilities means facilities where health care, childcare, educational, cultural, or social services are provided.

Community Organization Support includes: Financial Products related to the acquisition, construction, or rehabilitation of Community Facilities; business loans to non-profit organizations; and related Development Services to non-profit organizations.

Equity Investment means an investment made by an Awardee that, in the judgment of the Fund, supports or enhances activities that serve an Investment Area(s) or a Targeted Population(s). Such investments must be made through an arms-length transaction with a third party that does not have a relationship with the Awardee as an Affiliate. Equity Investments comprise a stock purchase, a purchase of a partnership interest, a purchase of a limited liability company membership interest, a loan made on such terms that it has sufficient characteristics of equity (and is considered as such by the Fund), or any other investment deemed to be an Equity Investment by the Fund.

Financial Products means: loans, Equity Investments and similar financing activities (as determined by the Fund) including the purchase of loans originated by certified CDFIs and the provision of loan guarantees; in the case of CDFI Intermediaries, grants to CDFIs and/or emerging CDFIs and deposits in insured credit union CDFIs and/or emerging insured credit union CDFIs.

Financial Services means checking, savings accounts, check cashing, money orders, certified checks, automated teller machines, deposit taking, safe deposit box services, and other similar services.

2. The Awardee should refer to OMB Circular A-122, “Cost Principles for Nonprofit Organizations,” for information regarding selected items of cost and unallowable items of cost.
3. Restrictions on the Use of Matching Funds. The Awardee shall not use any Matching Funds in a manner other than as authorized hereunder, unless the Awardee consults with and obtains the prior written approval of the Fund.
4. Reporting. As part of its Annual Report, the Awardee must submit to the Fund the Financial Assistance and Matching Funds Report (Schedule 7-C of this Assistance Agreement), describing its use of the Matching Funds.

Award No.: _____

Awardee: _____

CERTIFICATION OF MATCHING FUNDS

The Awardee hereby certifies that:

1. Funds used by the Awardee as Matching Funds for purposes of the Assistance Agreement have not been used by the Awardee to satisfy a legal requirement under another Federal grant or award program. To the extent that the Awardee has expended any of the Matching Funds prior to the execution of the Assistance Agreement, any such expenditure of the Matching Funds promoted the purpose of the Awardee's Comprehensive Business Plan.
2. The funds described on Schedule 3-C, "Matching Funds Analysis," (a) have been received by the Awardee, and (b) satisfy all Matching Funds requirements set forth in 12 C.F.R. 1805.500 et seq. and the NOFA.
3. All information contained in or attached to this Certificate is true, accurate and complete.

Award No.: _____

Awardee: _____

MATCHING FUNDS ANALYSIS**MATCHING FUNDS FOR GRANTS**

No.	Donor	Amount	Date	Source Documentation
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				

Grant Matching Funds Subtotal: \$**MATCHING FUNDS FOR LOANS**

No.	Lender	Amount	Date	Source Documentation
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				

Loan Matching Funds Subtotal: \$

MATCHING FUNDS FOR EQUITY INVESTMENTS/SECONDARY CAPITAL

No.	Investor	Amount	Date	Source Documentation
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				

Equity Investment Matching Funds Subtotal: \$

MATCHING FUNDS FOR DEPOSITS

No.	Investor	Amount	Date	Source Documentation
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				

Deposit Matching Funds Subtotal: \$

Total Matching Funds: \$

Schedule 4

Award No.: _____

Awardee: _____

SUBSIDIARIES AND AFFILIATES

The Awardee hereby certifies that the following is an accurate and complete listing of the Awardee's Subsidiaries and Affiliates:

	Subsidiary/Affiliate Name	Employer Identification Number
1		
2		
3		
4		
5		
6		
7		
8		
9		

Award No.: _____

Awardee: _____

AUTHORIZED USES OF TECHNICAL ASSISTANCE

The Fund hereby agrees to provide and the Awardee hereby agrees to accept the Technical Assistance pursuant to the following terms, conditions and agreements.

1. Authorized Uses of Technical Assistance. The Awardee shall use the Technical Assistance only as follows:

Use	Amount	Description
Consulting	\$	
Technology	\$	
Training	\$	
Staff salary	\$	
Other	\$	

2. The Awardee should refer to OMB Circular A-122, "Cost Principles for Nonprofit Organizations," for information regarding selected items of cost and unallowable items of cost.

3. Modifications. Modifications in the uses of TA described above require the Fund's prior written approval if in excess of 20 percent of any of the above amounts. The Fund reserves the right not to cover or to disallow costs in excess of 20 percent of the above amounts if prior written approval is not obtained from the Fund. Requests for modifications must be in writing and sent to the Fund's Grants Management and Compliance Manager.

4. Restrictions on the Use of Assistance.

- (a) The Awardee shall not use any Assistance provided hereunder in a manner other than as authorized hereunder, unless the Awardee consults with and obtains the prior written approval of the Fund.
- (b) The Awardee shall not distribute Assistance to any Affiliate without the Fund's prior written consent.
- (c) The Awardee shall not use any Assistance provided hereunder to pay any person to influence or attempt to influence any agency, elected official, officer or employee of a State, local or Tribal government in connection with the making, award, extension, continuation, renewal, amendment, or modification of any State, local or Tribal government contract, grant, loan or cooperative agreement as such terms are defined in 31 U.S.C. § 1352.

- (d) The Awardee shall not use any Assistance to pay any costs incurred in connection with (i) any defense against any claim or appeal of the United States Government, any agency or instrumentality thereof (including the Fund), against the Awardee, or (ii) any prosecution of any claim or appeal against the United States Government, any agency or instrumentality thereof (including the Fund), which the Awardee instituted or in which the Awardee has joined as a claimant.
- (e) The Awardee may not use any Assistance provided hereunder for the purpose of covering expenses, including consultant fees, related to the preparation of an application for certification or funding to the CDFI Fund.
- (f) The Awardee shall not use any Assistance provided hereunder to pay any individual or entity (or principal thereof) for the procurement of goods or services if that individual or entity (or principal thereof) is currently debarred, suspended, excluded or disqualified by the Department of Treasury or any other Federal department or agency.

5. Disposition of Advances of Technical Assistance. Except as otherwise provided in OMB Circular Number A-110, "Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations," as amended, Advances of Technical Assistance shall be deposited and maintained in insured, interest-bearing accounts. Interest earned exceeding \$250 in each Awardee fiscal year on any Advances of Federal grant monies including, but not limited to, the Technical Assistance provided under the Assistance Agreement shall be remitted annually to the Department of Health and Human Services, Payment Management System, Rockville, MD 20852. Interest amounts up to \$250 in each Awardee fiscal year may be retained by the Awardee for administrative expenses.

6. Salary Reimbursement Rates. The Awardee shall not use any of the Assistance to pay or provide reimbursement for payment of the salary of a consultant at more than the daily rate equivalent of the rate paid for level IV of the Executive Schedule, unless specifically authorized by law. For calendar year 2004, this daily rate equivalent is **\$523.08**.

7. Disbursement of Funds: The Awardee must request disbursement of the Assistance, in full, by May 13, 2005. If the Awardee does not request disbursement of all of the Assistance by said date, the Fund, in its sole discretion, may terminate its obligation to disburse said funds.

8. Return of TA Funds: The Awardee must return to the Fund any TA funds that are not expended by the Awardee, for uses permitted under this Agreement, as of the Termination Date of this Agreement.

9. Procurement of Goods and Services: The Awardee shall include in all of its procurement contracts for which it is using Technical Assistance funds to procure goods or services and expected to equal or exceed \$25,000 in amount, a representation that the individual or entity (or principal thereof) providing the service or goods is currently not debarred, suspended, excluded or disqualified by the Department of Treasury or any other Federal department or agency.

Award No.: _____

Awardee: _____

AUTHORIZED USES OF FINANCIAL ASSISTANCE

The Fund hereby agrees to provide and the Awardee hereby agrees to accept the Financial Assistance pursuant to the following terms, conditions and agreements.

1. Authorized Uses of Financial Assistance. The Awardee may use the Financial Assistance to support its Comprehensive Business Plan. Specifically, the Awardee may use the Financial Assistance to support its activities in the following areas, as such terms are defined in this Assistance Agreement:

- Affordable Housing Financial Products
- Development Services Financial Products
- Economic Development Financial Products
- Consumer Loans and Financial Services
- Other uses that directly or indirectly support the activities in the Awardee's Comprehensive Business Plan.

Related definitions:

Affordable Housing includes activities that: (i) promote the supply of housing through the provision of acquisition, pre-development, construction, rehabilitation, permanent and other similar financing, and/or (ii) increase homeownership through the provision of first mortgage financing, subordinated mortgages (for home purchase and rehabilitation).

Consumer Loans means personal (secured and unsecured) loans to one or more individuals for health, education, emergency, credit repair, debt consolidation and consumer purposes. To the extent possible, personal loans for business purposes should be identified as microenterprise or business loans, and personal loans for home improvement or repair should be identified as housing loans.

Development Services means activities that promote community development and are integral to the Awardee's provision of Financial Products and Financial Services. Such services shall prepare or assist current or potential borrowers or investees to utilize the Financial Products or Financial Services of the Awardee. Such services include, for example: financial or credit counseling to individuals for the purpose of facilitating home ownership, promoting self-employment, or enhancing consumer financial management skills; or technical assistance to borrowers or investees for the purpose of enhancing business planning, marketing, management, and financial management skills.

Economic Development includes activities that support job creation and retention and the growth of businesses through (i) loans, Equity Investments and other similar financing to for-profit small businesses, microenterprises, and commercial real estate other than Community Facilities and (ii) Community Organization Support.

Community Facilities means facilities where health care, childcare, educational, cultural, or social services are provided.

Community Organization Support includes: Financial Products related to the acquisition, construction, or rehabilitation of Community Facilities; business loans to non-profit organizations; and related Development Services to non-profit organizations.

Equity Investment means an investment made by an Awardee that, in the judgment of the Fund, supports or enhances activities that serve an Investment Area(s) or a Targeted Population(s). Such investments must be made through an arms-length transaction with a third party that does not have a relationship with the Awardee as an Affiliate. Equity Investments comprise a stock purchase, a purchase of a partnership interest, a purchase of a limited liability company membership interest, a loan made on such terms that it has sufficient characteristics of equity (and is considered as such by the Fund), or any other investment deemed to be an Equity Investment by the Fund.

Financial Products means: loans, Equity Investments and similar financing activities (as determined by the Fund) including the purchase of loans originated by certified CDFIs and the provision of loan guarantees; in the case of CDFI Intermediaries, grants to CDFIs and/or emerging CDFIs and deposits in insured credit union CDFIs and/or emerging insured credit union CDFIs.

Financial Services means checking, savings accounts, check cashing, money orders, certified checks, automated teller machines, deposit taking, safe deposit box services, and other similar services.

2. The Awardee should refer to OMB Circular A-122, "Cost Principles for Nonprofit Organizations," for information regarding selected items of cost and unallowable items of cost.
3. Restrictions on the Use of Assistance.
 - (a) The Awardee shall not use any Assistance provided hereunder in a manner other than as authorized hereunder, unless the Awardee consults with and obtains the prior written approval of the Fund.
 - (b) The Awardee shall not distribute Assistance to any Affiliate without the Fund's prior written consent.
 - (c) The Awardee shall not use any Assistance provided hereunder to pay any person to influence or attempt to influence any agency, elected official, officer or employee of a State or local government in connection with the making, award, extension, continuation, renewal, amendment, or modification of any State or local government contract, grant, loan or cooperative agreement as such terms are defined in 31 U.S.C. § 1352.
 - (d) The Awardee shall not use any Assistance to pay any costs incurred in connection with (i) any defense against any claim or appeal of the United States Government, any agency or instrumentality thereof (including the Fund), against the Awardee, or (ii) any prosecution of any claim or appeal against the United States Government, any agency or instrumentality thereof (including the Fund), which the Awardee instituted or in which the Awardee has joined as a claimant.
 - (e) The Awardee may not use any Assistance provided hereunder for the purpose of covering expenses, including consultant fees, related to the preparation of an application for certification or funding to the CDFI Fund.
 - (f) The Awardee shall not use any Assistance provided hereunder to pay any individual or entity (or principal thereof) for the procurement of goods or services if that individual or

entity (or principal thereof) is currently debarred, suspended, excluded or disqualified by the Department of Treasury or any other Federal department or agency.

4. Disbursement of Funds: The Awardee must request disbursement of the Assistance, in full, by May 15, 2004. If the Awardee does not request disbursement of all of the Assistance by said date, the Fund, in its sole discretion, may terminate its obligation to disburse said funds.

5. Reporting. As part of its Annual Report, the Awardee must submit to the Fund the Financial Assistance and Matching Funds Report (Schedule 7-C of this Assistance Agreement), describing its use of the Financial Assistance.

6. Nonprocurement Transactions: The Awardee shall include in all of its nonprocurement transaction agreements, for which it is using Financial Assistance funds, a representation that the individual or entity (or principal thereof) receiving the Financial Assistance funds is currently not debarred, suspended, excluded or disqualified by the Department of Treasury or any other Federal department or agency.

Award No.: _____

Awardee: _____

ANNUAL REPORT

Throughout the term of this Assistance Agreement, the Awardee must provide to the Fund an Annual Report, which comprises multiple components.

The Awardee must submit each component of the Annual Report that is marked as “Applicable” in the following chart:

Applicable if Checked	Annual Report Component	How/where to submit:
	Financial Report (Financial Statements and Auditor’s/Accountant’s Report)	<p>If the Awardee is <u>not</u> an Insured Credit Union, Insured Depository Institution, or Depository Institution Holding Company, it must submit Financial Reports either in (i) paper form to the address noted below or (ii) such other form as the Fund may require.</p> <p>If the Awardee is an Insured Credit Union, Insured Depository Institution, or Depository Institution Holding Company, it is not required to submit Financial Reports; the Fund will obtain the necessary financial information from publicly available sources.</p>
	Performance Goals Report/Annual Survey (Schedule 7-A)	The Performance Goals Report/Annual Survey must be submitted electronically through the Fund’s data collection tool (Community Impact Information System, or CIIS), which the Awardee will access through its “myCDFIFund” account.
	Financial Status Report/OMB Standard Form 269-A (Schedule 7-B)	If the Awardee receives Technical Assistance, it must submit the Financial Status Report in paper form to the address noted below.
	Uses of Financial Assistance and Matching Funds Report (Schedule 7-C)	If the Awardee receives Financial Assistance, it must submit the Uses of Financial Assistance and Matching Funds Report either in (i) paper form to the address noted below or (ii) such other form as the Fund may require.
	Explanation of Noncompliance (as applicable) (Schedule 7-D)	If the Awardee fails to meet a Performance Goal, it must submit the Explanation of Noncompliance in paper form to the address noted below.
	Shareholders Report (Schedule 7-E)	If the Assistance is in the form of an Equity Investment, the Awardee must submit the specified shareholder information in paper form to the address noted below.

Address: CDFI Fund
Attention: Grants Management and Compliance Manager
601 13th Street, NW
Suite 200 South
Washington, DC 20005

For questions related to the Annual Report, call (202) 622-8226. This is not a toll-free number.

The Awardee is required to submit a full and complete Annual Report. In addition, the Awardee is responsible for the submission of a Financial Report (if applicable) and an Annual Survey from the following signatory(s) to this Assistance Agreement:

[list, as applicable]

If an Annual Survey is required of a signatory(ies) listed above, the Awardee must submit a separate Annual Survey for the Awardee and each signatory. If a Financial Report is required of a signatory(ies) listed above, the Awardee may submit combined financial statements and footnotes (as applicable) for the Awardee and other signatory(ies), provided that the financial position of each signatory is reported separately.

The Awardee must submit to the Fund the components of the Annual Report by the dates set forth on Schedule 6-B of this Assistance Agreement.

I. **FINANCIAL REPORT (Financial Statements and Auditor's / Accountant's Review Report)** includes the following financial statements prepared in conformity with generally accepted accounting principles, and the related auditor's or accountant's review report: a statement of financial position, a statement of operations (if the Awardee is a for-profit organization), a statement of activities (if the Awardee is a non-profit organization), and a statement of cash flows. The financial statements and the related auditor's or accountant's review report(s) will be reviewed by the Fund to determine that the Awardee is financially and managerially sound.

A. Non-Profit Organizations

1. **All non-profit organizations (excluding all regulated financial institutions)** must submit to the Fund financial statements that have been reviewed by an independent certified public accountant in accordance with *Statements on Standards for Accounting and Review Services*, issued by the American Institute of Certified Public Accountants, no later than 180 days after the end of the Awardee's fiscal year (audited financial statements can be provided by the due date in lieu of reviewed statements, if available).
2. **Non-profit organizations (excluding all regulated financial institutions) that are required to have their financial statements audited pursuant to OMB Circular A-133, Audits of States, Local Governments and Non-Profit Organizations,** must also submit their A-133 audited financial statements to the Fund no later than 270 days after the end of the Awardee's fiscal year.
3. **Non-profit organizations (excluding all regulated financial institutions) that are NOT required to have financial statements audited pursuant to OMB Circular A-133, Audits of States, Local Governments and Non-Profit Organizations,** must submit to the Fund a statement signed by the Awardee's Authorized Representative or certified public accountant, asserting that the Awardee is not required to have a single audit pursuant OMB Circular A-133.

B. For-Profit Organizations (excluding all regulated financial institutions) must submit to the Fund financial statements audited in conformity with generally accepted auditing standards as promulgated by the American Institute of Certified Public Accountants, no later than 180 days after the end of the Awardee's fiscal year.

C. Regulated Financial Institutions (Insured Depository Institutions, Depository Institution Holding Companies, and Insured Credit Unions) are not required to submit financial statements to the Fund. The Fund will obtain the necessary information from publicly available sources.

D. Special Situations

1. **Submission of combining financial statements:** The Awardee may submit combined financial statements and footnotes as long as the financial statements of the Awardee and, if applicable, every other signatory to the Assistance Agreement, are shown separately as part of combining financial statements. The combining financial statements can be presented as

supplemental information.

2. **If the Assistance is in the form of a loan or a deposit:** The Awardee must provide the Fund with financial statements annually throughout the term of the loan or deposit.
3. **If the Assistance is in the form of an equity investment (common or preferred stock, secondary capital, partnership interest, or debentures):** The Awardee must provide the Fund with financial statements annually for each year in which the Fund holds the equity investment.

II. **PERFORMANCE GOALS REPORT/ANNUAL SURVEY:** comprises (i) performance goals and measures that are specific to the Awardee's application for funding and (ii) information pertinent to CDFIs and to assess and promote the purposes of the CDFI Program.

- A. **Performance Goals:** The Awardee will submit to the Fund, through the Annual Survey, information that will inform the Fund of the Awardee's compliance with the Performance Goals (Schedule 7-A of this Agreement).
- B. **Annual Survey:** The Annual Survey is the Fund's tool for the collection of data for which to assess: (i) the Awardee's compliance with its Performance Goals and (ii) the community development finance impact of the CDFI Program and the CDFI industry. The Annual Survey is comprised of two sub-components, the Institution-Level Report and the Transaction-Level Report.
 1. **Institution-Level Report.** The Institution-Level Report includes, but is not limited to, organizational, financial, and Development Services information and any other information that the Fund deems appropriate. The Awardee must submit the Institution-Level Report to the Fund at least annually. [All Awardees must submit Institution-Level Reports.]
 2. **Transaction-Level Report.** The Transaction-Level Report includes, but is not limited to, specific data elements on each of the Awardee's loans and investments including, but not limited to, borrower location, loan/investment type, loan/investment amount, and terms. The Awardee must submit the Transaction-Level Report to the Fund at least annually; however, the Awardee may be required to submit a semi-annual or quarterly Transaction-Level Report. If the Fund requires the Awardee to submit a semi-annual or quarterly Transaction-Level Report, the Fund will notify the Awardee of the due date for the submission of said report at least 60 days prior to the due date. [Only Awardees that receive Financial Assistance awards are required to submit Transaction-Level Reports.]

III. **FINANCIAL STATUS REPORT** (OMB Standard Form 269-A, found at Schedule 7-B of this Assistance Agreement): The Financial Status Report must be completed and submitted by any Awardee that receives Technical Assistance (an Awardee that receives only a Financial Assistance award need not complete this form). The Awardee's Authorized Representative must sign the form. This form is only applicable to the Technical Assistance portion of the Assistance.

IV. **USES OF FINANCIAL ASSISTANCE AND MATCHING FUNDS REPORT** (Schedule 7-C of this Assistance Agreement): Through this report, the Awardee must describe the use of its Financial Assistance and its Matching Funds during its preceding fiscal year. This report must be completed and submitted by any Awardee that receives Financial Assistance (an Awardee that receives only Technical Assistance need not complete this form). This form is only applicable to the Financial Assistance portion of the Assistance.

V. **EXPLANATION OF NONCOMPLIANCE** (Schedule 7-D of this Assistance Agreement): If the Awardee fails to meet any Performance Goal or measure, it must submit responses to the questions listed in the Explanation of Noncompliance. The Fund will use the Awardee's responses to the Explanation of Noncompliance, its past performance toward meeting the performance benchmark(s), its overall activity levels, and any other information deemed appropriate by the Fund to determine whether the Awardee is in default of its Assistance Agreement for noncompliance with the Performance Goals and measures.

VI. **SHAREHOLDERS REPORT** (Schedule 7-E of this Assistance Agreement): If the Assistance is in the form of an Equity Investment, the Awardee must submit the Shareholders Report, signed by its Authorized Representative, with each Annual Report.

Award No.: _____

Awardee: _____

ANNUAL REPORT SUBMISSION DEADLINES

Annual Report (all components except the A-133 audit report, if applicable)	
For period ending on:	Due date:

A-133 Audit Report [if applicable: to be determined by Awardee annually]	
For period ending on:	Due date:

Notes:

- 1) **All organizations must submit all components of the Annual Report, including the Financial Report, to the Fund no later than 180 days after the end of the Awardee's fiscal year. As explained in Schedule 6-A:**

Non-profit organizations (excluding regulated financial institutions) are to provide **reviewed** financial statements and the related accountant's review report (audited financial statements can be used in lieu of reviewed financial statements, if available); and

For-profit organizations (excluding regulated financial institutions) are to provide **audited** financial statements and the related auditor's report.

- 2) Non-profit awardees subject to the audit requirements of OMB Circular A-133 must also submit their separate A-133 financial statements and auditor's reports, no later than **270 days** after the end of the Awardee's fiscal year.
- 3) For any award that is in the form of a loan, certificate of deposit, secondary capital, common or preferred stock, partnership interest or debenture, the Awardee must submit annual financial statements to the Fund throughout the term of said loan or investment.

See Schedule 6-A for further information on the Financial Report.

Award No. _____
 Awardee: _____
 Awardee's Fiscal Year (mo/day – mo/day): _____
 Performance Period: _____

PERFORMANCE GOALS REPORT

The Performance Goals Report contains performance goals and measures that are specific to the Awardee's application for funding. The information will describe the Awardee's compliance with and progress toward meeting the Performance Goals set forth below.

The Awardee must meet the Performance Goals (and the related measures) that are checked by the Fund as "Applicable" in the charts below.

GOAL 1: Financial and managerial soundness: The Awardee must demonstrate that it has maintained financial and managerial soundness by meeting each performance measure, below, that is marked as "Applicable." If the Awardee does not meet the applicable performance measures, the Fund may consider the Awardee's performance with regard to other benchmarks such as, but not limited to, the Awardee's annual net revenue, net asset ratio, capital liquidity ratio, and self-sufficiency ratio.

The data for this Performance Goal shall be obtained and/or calculated by the Fund from the Awardee's Financial Report, the Annual Survey, publicly available sources, and/or the Appropriate Federal Banking Agency.

Applicable if Checked	Performance Measure	
[Regulated CDFIs; FA, TA, NATA]	1-1	<p><u>For regulated institutions only (Insured Credit Unions and Insured Depository Institutions):</u> At each fiscal year end 2004, 2005 and 2006, the Awardee shall have received from its Appropriate Federal Banking Agency (or state regulatory agency, in the case of a State-insured credit union) a composite CAMEL rating of 1, 2 or 3.</p> <p><u>Note:</u> The Awardee is not required to submit its CAMEL scores to the Fund. The Fund will obtain this information from publicly available sources and/or the Appropriate Federal Banking Agency.</p>
[Non-regulated CDFIs; FA]	1-2	<p><u>Operating liquidity ratio:</u> At each fiscal year end 2004, 2005, and 2006, the Awardee must demonstrate an operating liquidity ratio of at least 1:1, calculated as follows: the numerator is cash and cash equivalents (excluding any funds restricted in such a manner as to prevent their being used to satisfy obligations represented by operating expenses) and the denominator is 25% of the Awardee's total (pre-tax) operating expenses for the most recently completed fiscal year.</p>

Applicable if Checked	Performance Measure	
[Non-regulated CDFIs; FA]	1-3	<p><u>Portfolio at Risk (PAR)</u>: At each fiscal year end 2004, 2005 and 2006, the Awardee must have a PAR of the following:</p> <ul style="list-style-type: none"> • For all Affordable Housing loans, commercial real estate loans and community facilities loans: First mortgages: PAR no greater than 4% Subordinated loans: PAR no greater than 6% • For small business (non-real estate purposes such as working capital, equipment, inventory) loans: PAR no greater than 9% • Micro-business (non-real estate purposes such as working capital, equipment, inventory) and consumer loans: PAR no greater than 11% <p>PAR is calculated as follows: the numerator is the aggregate dollar amount of all loans outstanding of that type held in the Awardee's portfolio that have payments that are 90 days or more past due and the denominator is the aggregate dollar amount of loans outstanding of that type held in the Awardee's portfolio (aggregate dollar amount of gross loans receivable without giving effect to any allowance for the collectability thereof).</p>
[Non-regulated CDFIs; FA]	1-4	<p><u>Equity investments</u>: At each fiscal year end 2004, 2005 and 2006, no more than 50% of the Awardee's investment portfolio has decreased in value in the preceding 12 months.</p>

GOAL 2: Deployment of resources: The Awardee will demonstrate that it (i) has deployed certain levels of Financial Products to benefit the Awardee’s Hot Zones or other Target Market and/or (ii) has used the Financial Assistance to leverage capital to deploy certain levels of Financial Products to benefit the Awardee’s Hot Zones or other Target Markets. The Awardee will demonstrate such by meeting the performance measure, below, that is marked as “Applicable.” The performance measure(s) are based on each Financial Product type awarded.

The data for this Performance Goal shall be obtained and/or calculated by the Fund from the Awardee’s Annual Survey. To maintain compliance with this Performance Goal, the Awardee must demonstrate that it meets the required activity levels as stated below or meets the combined required activity levels with at least the minimum required level of activity occurring in the Hot Zone(s). Activity that meets both Hot Zone and Other Target Market eligibility requirements may only be counted and reported once.

Applicable if Checked	Performance Measure																																														
[FA]	2-1	<p>During the Performance Period, the Awardee must deploy the following amounts equivalent to the below specified percentage of the Financial Assistance as Affordable Housing, Economic Development, and/or Consumer Financial Products to residents of or entities located in the Awardee’s Hot Zones (as designated in the Application), or residents of or entities located in the Awardee’s Investment Area(s), or the Awardee’s Targeted Population(s) (as designated in the Application and/or the most recently approved CDFI certification):</p> <table border="1"> <thead> <tr> <th colspan="3">Affordable Housing Products Closed</th></tr> <tr> <th>Performance Benchmark (At FYE)</th><th>\$ to Hot Zones</th><th>\$ to Target Market</th></tr> </thead> <tbody> <tr> <td>2004: 25% (\$...)</td><td></td><td></td></tr> <tr> <td>2005: 60% (\$...)</td><td></td><td></td></tr> <tr> <td>2006: 85% (\$...)</td><td></td><td></td></tr> </tbody> </table> <table border="1"> <thead> <tr> <th colspan="3">Economic Development Products Closed</th></tr> <tr> <th>Performance Benchmark (At FYE)</th><th>\$ to Hot Zones</th><th>\$ to Target Market</th></tr> </thead> <tbody> <tr> <td>2004: 25% (\$...)</td><td></td><td></td></tr> <tr> <td>2005: 60% (\$...)</td><td></td><td></td></tr> <tr> <td>2006: 85% (\$...)</td><td></td><td></td></tr> </tbody> </table> <table border="1"> <thead> <tr> <th colspan="3">Consumer Products Closed</th></tr> <tr> <th>Performance Benchmark (At FYE)</th><th>\$ to Hot Zones</th><th>\$ to Target Market</th></tr> </thead> <tbody> <tr> <td>2004: 25% (\$...)</td><td></td><td></td></tr> <tr> <td>2005: 60% (\$...)</td><td></td><td></td></tr> <tr> <td>2006: 85% (\$...)</td><td></td><td></td></tr> </tbody> </table>	Affordable Housing Products Closed			Performance Benchmark (At FYE)	\$ to Hot Zones	\$ to Target Market	2004: 25% (\$...)			2005: 60% (\$...)			2006: 85% (\$...)			Economic Development Products Closed			Performance Benchmark (At FYE)	\$ to Hot Zones	\$ to Target Market	2004: 25% (\$...)			2005: 60% (\$...)			2006: 85% (\$...)			Consumer Products Closed			Performance Benchmark (At FYE)	\$ to Hot Zones	\$ to Target Market	2004: 25% (\$...)			2005: 60% (\$...)			2006: 85% (\$...)		
Affordable Housing Products Closed																																															
Performance Benchmark (At FYE)	\$ to Hot Zones	\$ to Target Market																																													
2004: 25% (\$...)																																															
2005: 60% (\$...)																																															
2006: 85% (\$...)																																															
Economic Development Products Closed																																															
Performance Benchmark (At FYE)	\$ to Hot Zones	\$ to Target Market																																													
2004: 25% (\$...)																																															
2005: 60% (\$...)																																															
2006: 85% (\$...)																																															
Consumer Products Closed																																															
Performance Benchmark (At FYE)	\$ to Hot Zones	\$ to Target Market																																													
2004: 25% (\$...)																																															
2005: 60% (\$...)																																															
2006: 85% (\$...)																																															
Affordable Housing																																															
Economic Development																																															
Consumer Products																																															

Applicable if Checked	Performance Measure																																														
[FA]	2-2	<p>During the Performance Period, the Awardee must deploy the following amounts of leveraged dollars in Affordable Housing, Economic Development and/or Consumer Financial Products to residents of or entities located in the Awardee's Hot Zones (as designated in the Application), or residents of or entities located in the Awardee's Investment Area(s), or the Awardee's Targeted Population(s) (as designated in the Application and/or the most recently approved CDFI certification). The below specified percentages are based upon the amount of the FA award that was used to leverage the additional dollars the Awardee projected to deploy.</p> <table border="1"> <thead> <tr> <th colspan="3">Affordable Housing Products Closed</th></tr> <tr> <th>Performance Benchmark (At FYE)</th><th>\$ to Hot Zones</th><th>\$ to Target Market</th></tr> </thead> <tbody> <tr> <td>2004: 25% (\$...)</td><td></td><td></td></tr> <tr> <td>2005: 60% (\$...)</td><td></td><td></td></tr> <tr> <td>2006: 85% (\$...)</td><td></td><td></td></tr> </tbody> </table> <table border="1"> <thead> <tr> <th colspan="3">Economic Development Products Closed</th></tr> <tr> <th>Performance Benchmark (At FYE)</th><th>\$ to Hot Zones</th><th>\$ to Target Market</th></tr> </thead> <tbody> <tr> <td>2004: 25% (\$...)</td><td></td><td></td></tr> <tr> <td>2005: 60% (\$...)</td><td></td><td></td></tr> <tr> <td>2006: 85% (\$...)</td><td></td><td></td></tr> </tbody> </table> <table border="1"> <thead> <tr> <th colspan="3">Consumer Products Closed</th></tr> <tr> <th>Performance Benchmark (At FYE)</th><th>\$ to Hot Zones</th><th>\$ to Target Market</th></tr> </thead> <tbody> <tr> <td>2004: 25% (\$...)</td><td></td><td></td></tr> <tr> <td>2005: 60% (\$...)</td><td></td><td></td></tr> <tr> <td>2006: 85% (\$...)</td><td></td><td></td></tr> </tbody> </table>	Affordable Housing Products Closed			Performance Benchmark (At FYE)	\$ to Hot Zones	\$ to Target Market	2004: 25% (\$...)			2005: 60% (\$...)			2006: 85% (\$...)			Economic Development Products Closed			Performance Benchmark (At FYE)	\$ to Hot Zones	\$ to Target Market	2004: 25% (\$...)			2005: 60% (\$...)			2006: 85% (\$...)			Consumer Products Closed			Performance Benchmark (At FYE)	\$ to Hot Zones	\$ to Target Market	2004: 25% (\$...)			2005: 60% (\$...)			2006: 85% (\$...)		
Affordable Housing Products Closed																																															
Performance Benchmark (At FYE)	\$ to Hot Zones	\$ to Target Market																																													
2004: 25% (\$...)																																															
2005: 60% (\$...)																																															
2006: 85% (\$...)																																															
Economic Development Products Closed																																															
Performance Benchmark (At FYE)	\$ to Hot Zones	\$ to Target Market																																													
2004: 25% (\$...)																																															
2005: 60% (\$...)																																															
2006: 85% (\$...)																																															
Consumer Products Closed																																															
Performance Benchmark (At FYE)	\$ to Hot Zones	\$ to Target Market																																													
2004: 25% (\$...)																																															
2005: 60% (\$...)																																															
2006: 85% (\$...)																																															
Affordable Housing																																															
Economic Development																																															
Consumer Products																																															

GOAL 3: Provision of Development Services: The Awardee will demonstrate that it provided Affordable Housing, Economic Development and/or Consumer Development Services to benefit the Awardee's Hot Zones or other Targeted Markets. The Awardee will demonstrate such by meeting the performance measure, below, that is marked as "Applicable." The performance measure(s) are based on each Financial Product type awarded for which the Awardee has provided Development Services during each fiscal year of the Performance Period.

The data for this Performance Goal shall be obtained and/or calculated by the Fund from the Awardee's Annual Survey. To maintain compliance with this Performance Goal, the Awardee must demonstrate that it meets the required activity levels as stated below or meets the combined required activity levels with at least the minimum required level of activity occurring in the Hot Zone(s). Activity that meets both Hot Zone and Other Target Market eligibility requirements may only be counted and reported once.

Applicable if Checked	Performance Measure																																														
[FA]	3-1	<p>During the Performance Period, the Awardee must provide the following levels of Affordable Housing, Economic Development and/or Consumer Development Services to residents of or entities located in the Awardee's Hot Zones (as designated in the Application), or residents of or entities located in the Awardee's Investment Area(s), or the Awardee's Targeted Population(s) (as designated in the Application and/or the most recently approved CDFI certification):</p> <table border="1"> <thead> <tr> <th colspan="3">Affordable Housing Development Services Clients Served</th></tr> <tr> <th>Performance Benchmark (At FYE)</th><th>Hot Zones clients</th><th>Target Market clients</th></tr> </thead> <tbody> <tr> <td>2004: 25%</td><td></td><td></td></tr> <tr> <td>2005: 60%</td><td></td><td></td></tr> <tr> <td>2006: 85%</td><td></td><td></td></tr> </tbody> </table> <table border="1"> <thead> <tr> <th colspan="3">Economic Development Development Services Clients Served</th></tr> <tr> <th>Performance Benchmark (At FYE)</th><th>Hot Zones clients</th><th>Target Market clients</th></tr> </thead> <tbody> <tr> <td>2004: 25%</td><td></td><td></td></tr> <tr> <td>2005: 60%</td><td></td><td></td></tr> <tr> <td>2006: 85%</td><td></td><td></td></tr> </tbody> </table> <table border="1"> <thead> <tr> <th colspan="3">Consumer Development Services Clients Served</th></tr> <tr> <th>Performance Benchmark (At FYE)</th><th>Hot Zones clients</th><th>Target Market clients</th></tr> </thead> <tbody> <tr> <td>2004: 25%</td><td></td><td></td></tr> <tr> <td>2005: 60%</td><td></td><td></td></tr> <tr> <td>2006: 85%</td><td></td><td></td></tr> </tbody> </table>	Affordable Housing Development Services Clients Served			Performance Benchmark (At FYE)	Hot Zones clients	Target Market clients	2004: 25%			2005: 60%			2006: 85%			Economic Development Development Services Clients Served			Performance Benchmark (At FYE)	Hot Zones clients	Target Market clients	2004: 25%			2005: 60%			2006: 85%			Consumer Development Services Clients Served			Performance Benchmark (At FYE)	Hot Zones clients	Target Market clients	2004: 25%			2005: 60%			2006: 85%		
Affordable Housing Development Services Clients Served																																															
Performance Benchmark (At FYE)	Hot Zones clients	Target Market clients																																													
2004: 25%																																															
2005: 60%																																															
2006: 85%																																															
Economic Development Development Services Clients Served																																															
Performance Benchmark (At FYE)	Hot Zones clients	Target Market clients																																													
2004: 25%																																															
2005: 60%																																															
2006: 85%																																															
Consumer Development Services Clients Served																																															
Performance Benchmark (At FYE)	Hot Zones clients	Target Market clients																																													
2004: 25%																																															
2005: 60%																																															
2006: 85%																																															
Affordable Housing																																															
Economic Development																																															
Consumer Products																																															

GOAL 4: Build capacity through Technical Assistance: If the Awardee received a Technical Assistance award, it must report on its use of the award, its progress in the creation of a new entity (as applicable), its progress toward CDFI certification (as applicable), and the completion of Technical Assistance activities set forth on Schedule 5-A (Authorized Uses of Technical Assistance) of this Assistance Agreement.

Applicable if Checked	Performance Measure	
[FA w/ TA, TA, NATA, NACD]	4-1	The Awardee must expend the Technical Assistance for the purposes set forth on Schedule 5-A of this Assistance Agreement (Authorized Uses of TA) and complete those activities no later than (i) the end of the Awardee's FY 2005 <u>OR</u> (ii) the second full fiscal year after the Effective Date of this Assistance Agreement if the Awardee's fiscal year 2005 ends on or before June 30, 2005 [insert dateZ].

* * * * *

How to submit the Performance Goals Report: The Awardee must report annually on its Performance Goals and measures through the Fund’s Community Investment Impact System (CIIS), which the Awardee can access through its “myCDFIFund” account.

Award No. _____
Awardee: _____

**FINANCIAL STATUS REPORT
OMB STANDARD FORM 269-A**

Please refer to the "Awardee" page of the Fund's website at www.cdfifund.gov for OMB guidance on completing the Standard Form 269-A, below.

FINANCIAL STATUS REPORT (Short Form)

1. Federal Agency and Organizational Element to Which Report is Submitted		2. Federal Grant or Other Identifying Number Assigned by Federal Agency		OMB Approval No. 0348-0039	Page of Pages
3. Recipient Organization (Name and complete address, including ZIP code)					
4. Employer Identification Number		5. Recipient Account Number or Identifying Number		6. Final Report [] Yes [] No	7. Basis [] Cash [] Accrual
8. Funding/Grant Period (See Instructions) From: (Month, Day, Year)		To: (Month, Day, Year)		9. Period Covered by this Report From: Month, Day, Year To: (Month), Day, Year	
10. Transactions:		I Previously Reported	II This Period	III Cumulative	
a. Total outlays				0.00	
b. Recipient share of outlays					
c. Federal share of outlays		0.00	0.00	0.00	
d. Total unliquidated obligations					
e. Recipient share of unliquidated obligations					
f. Federal share of unliquidated obligations					
g. Total federal share (sum of lines c and f)				0.00	
h. Total federal funds authorized for this funding period					
i. Unobligated balance of federal funds (Line h minus line g)				0.00	
11. Indirect Expense	a. Type of Rate (Place "X" in appropriate box) [] Provisional [] Predetermined [] Final [] Fixed				
	b. Rate	c. Base	d. Total Amount	e. Federal Share	
12. Remarks: Attach any explanations deemed necessary or information required by Federal sponsoring agency in compliance with governing legislation					
13. Certification I certify to the best of my knowledge and belief that this report is correct and complete and that all outlays and unliquidated obligations are for the purposes set forth in the award documents					
Typed or Printed Name and Title			Telephone (area code, number and extension)		
Signature of Authorized Certifying Official			Date Report Submitted		

Schedule 7-C**Award No.** _____**Awardee:** _____**Total amount of Financial Assistance: \$** _____**USES OF FINANCIAL ASSISTANCE AND MATCHING FUNDS REPORT**

Using the chart below, the Awardee must report on its uses of the Financial Assistance and Matching Funds, including those dollars that have been allocated or expensed by an Affiliate. Complete the chart by filling in the use of the Financial Assistance and Matching Funds for each year listed below. If Matching Funds were not used in Fiscal Years 2002 and 2003, please write "N/A" (not applicable). Please refer to Schedule 3-A (Authorized Uses of Matching Funds) and Schedule 5-B (Authorized Uses of Financial Assistance).

Uses of Financial Assistance and Matching Funds	Financial Assistance (see Schedule 5-B)			Matching Funds (see Schedule 3-C) *				
	FY 2004	FY 2005	FY 2006	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
Affordable Housing Financial Products	\$	\$	\$	\$	\$	\$	\$	\$
Development Services	\$	\$	\$	\$	\$	\$	\$	\$
Economic Development Financial Products	\$	\$	\$	\$	\$	\$	\$	\$
Consumer Loans and Financial Services	\$	\$	\$	\$	\$	\$	\$	\$
Other uses (attach explanation)	\$	\$	\$	\$	\$	\$	\$	\$
TOTAL:	\$	\$	\$	\$	\$	\$	\$	\$

* The Awardee must report on its use of Matching Funds from January 1, 2002 (the start of the Matching Funds period set forth in the FY 2003 Financial Assistance Component NOFA) through the end of the applicable reporting period.

Award No. _____
Awardee: _____

EXPLANATION OF NONCOMPLIANCE

If the Awardee fails to meet any of the Performance Goals and measures (Schedule 7-A), the Awardee must respond to the following questions and submit the responses to the Fund as part of its Annual Report.

The Fund will use the Awardee's responses to the Explanation of Noncompliance, its past performance toward meeting the performance benchmark(s), its overall activity levels, and any other information deemed appropriate by the Fund to determine whether the Awardee is in default of its Assistance Agreement for noncompliance with the Performance Goals and measures.

General questions:

1. Why did the Awardee fail to meet the Performance Goal and/or measure(s)?
2. What actions are being taken to ensure that the Awardee meets the Performance Goal and/or measure(s) in the future?
3. Does the Awardee expect to meet the Performance Goal and/or measure(s) during the next reporting period? If no, explain why.
4. Will the Awardee require a modification of a Performance Goal and/or measure? If so, explain the modification, including a justification and recommendation for revised language and/or benchmarks.
5. Does the Awardee's failure to meet the Performance Goal and/or measure(s) place the Awardee in violation of any agreement or covenant with any of its other lenders, funders or investors?

Questions specific to Goal 1 (maintain financial and managerial soundness):

1. Did the Awardee's annual budget for the most recently completed fiscal year, as approved by the Awardee's Board of Directors, anticipate not meeting the Performance Goal and/or measure(s)?
2. How does not meeting the Performance Goal and/or measure(s) affect the Awardee's financial condition?
3. Does the Awardee's failure to meet the Performance Goal and/or measure(s) violate the Awardee's financial management policies? If yes, explain how.
4. Does the Awardee's inability to meet the Performance Goal and/or measure(s) adversely affect the Awardee's ability or plans to leverage other funding sources? If yes, explain how.
5. Does the Awardee expect to meet the Performance Goal and/or measure(s) during the next reporting period? If no, explain why.

6. Will the Awardee require a modification of a Performance Goal and/or measure(s)? If so, explain the modification, including a justification and recommendation for revised language and/or benchmarks.

Questions specific to Technical Assistance award:

1. What component(s) (consulting, training, technology, or other) of the Technical Assistance award (see Schedule 5-A, Authorized Uses of TA) have yet to be completed?
2. When does the Awardee expect to complete the component(s)?
3. If the Awardee does not expect to complete the component(s), how does the Awardee propose to use the Technical Assistance allocated to that component(s) prior to the termination date of the award? Please note that the Fund reserves the right to request the return of any unused funds upon the termination of the Assistance Agreement.
4. Does the Awardee expect to re-allocate any unused funds for another use? If the amount expected to be re-allocated exceeds 20 percent of the category, please explain; such uses must be approved by the Fund.

Award No.: _____

Awardee: _____

**ANNUAL REPORT:
SHAREHOLDER REPORT**

The Awardee hereby certifies that the following is complete and correct information on the shareholders of the Awardee as of the date of this Annual Report (including the shareholders' names and the class, series, and number of shares and valuation of capital stock held or to be held by each shareholder). No other class of capital stock of the Awardee is outstanding except as set forth below.

No.	Shareholder	Class/Series	Outstanding Shares	Valuation of Shares
1	Community Development Financial Institutions Fund			
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				

IN WITNESS WHEREOF, I have signed this Certificate in the capacity indicated below as of this _____ day of _____, _____.

By: _____

Name:

Title:

Award No.: _____

Awardee: _____

SUBSEQUENT DISBURSEMENTS:
CERTIFICATION OF PERFORMANCE AND
REPRESENTATIONS AND WARRANTIES

I, the Authorized Representative of the Awardee, do hereby certify on behalf of the Awardee:

1. The Awardee has performed and complied with all applicable agreements and conditions required by the Assistance Agreement to be performed or complied with by it before or at the Closing; and
2. The representations and warranties set forth in the Assistance Agreement and the Assurances and Certifications contained in the Application (as defined in the Assistance Agreement) are true and correct in all material respects as of the date hereof and as of the Effective Date (as defined in the Assistance Agreement).

IN WITNESS WHEREOF, I have signed this Certificate in the capacity indicated below as of this ____ day of _____, _____.

By: _____

Name:

Title:

Award No.: _____

Awardee: _____

REPRESENTATIONS AND WARRANTIES: LOAN

The Awardee hereby certifies:

1. Issuance of the Note. Subject to the terms and conditions hereof and in reliance upon the representations and warranties contained herein, the Awardee agrees to issue to the Fund a promissory note as evidence of the loan in the aggregate principal amount of \$ _____ (the "Note"). The aggregate principal amount of the Note shall be due and payable in full _____ years from the date of the Note. The Note shall bear interest at a rate per annum (computed on the basis of the actual number of days elapsed over a year of 360 days) equal to _____, which shall be payable _____. When signed, the Note shall be made a part hereof and the Fund shall have full recourse against the Awardee.
2. The Fund may, at any time, assign or sell this Note, provided the Fund retains the power to enforce any agreements, covenants and other obligations of the Awardee hereunder until such time as the Awardee shall have achieved all of its Performance Goals.
3. Authorization and Legality of the Note. The Note has been duly and validly executed and authorized, and the issuance of the Note to the Fund pursuant to this Agreement has been duly executed and authorized by the board of directors of the Awardee. No further authorization or approval is required for the issuance of the Note as contemplated herein. When delivered to the Fund, the Note will be validly issued.
4. The Offering. Neither the Awardee nor anyone acting on its behalf has directly or indirectly offered the Note, for issuance to the Fund, any part thereof, or any similar security of the Awardee, for sale to, or solicited any offer to buy the same from anyone other than the Fund, without registering the Note and other similar securities under State securities laws.
5. Reporting. The Awardee will submit an annual Financial Report to the Fund, in accordance with Schedule 6-B of this Assistance Agreement, throughout the term of the Note.

Schedule 9-B

Award No.: _____

Awardee: _____

PROMISSORY NOTE

\$ _____

Washington, DC

Date: _____

FOR VALUE RECEIVED, the undersigned, _____ (the "Awardee"), hereby promises to pay to the order of the Community Development Financial Institutions Fund, a wholly owned government corporation within the U.S. Department of the Treasury (the "Fund"), at 601 13th Street, NW, Suite 200 South, Washington, DC 20005, or to order, the principal sum of _____ (\$ _____) (or such lesser amount as shall equal the aggregate unpaid principal amount of the loan disbursed by the Fund to the Awardee under the Assistance Agreement), payable in its entirety at the date of maturity of this promissory note (the "Note"), _____, _____ (the "Maturity Date").

The Awardee further promises to pay interest at the rate of _____ (____%) per annum, accruing daily from the date hereof on the unpaid principal balance from time to time outstanding on this Note. Interest shall be payable quarterly in arrears on the last day of March, June, September and December of each year until the Maturity Date, beginning _____, 200_. Interest shall be computed on the basis of a year of 360 days comprised of twelve 30-day months and for the actual number of days elapsed in any partial month. The Awardee shall pay to the Fund the outstanding principal amount and all accrued but unpaid interest on the Note on the Maturity Date.

All payments shall be made through electronic funds transfers via the U.S. Treasury Pre-Authorized Debit system as explained in the payment instruction attached hereto as Schedule 9-D, and shall be debited from the Awardee's bank account in the amounts and on the dates as described in the payment schedule attached hereto as Schedule 9-C. The Fund reserves the right to unilaterally amend such payment instructions at any time by providing written notice to the Awardee.

Should a payment due the Fund not be received as and when due within a five (5) calendar day grace period, the Fund will assess a late payment fee equal to five percent (5%) of the payment, which shall be immediately due and payable to the Fund. The Fund will not assess a late payment fee if the cause of the late payment is the fault of the United States Government. The Awardee has the burden of establishing to the reasonable satisfaction of the Fund that any late payment was caused by the United States Government.

No right, power or remedy conferred to the Fund in this Note or the Assistance Agreement, or now or hereafter existing at law or in equity, by statute or otherwise, shall be exclusive, and each such right, power or remedy shall, to the full extent permitted by law, be cumulative and in addition to every other such right, power or remedy. No course of dealing and

no delay in exercising any right, power or remedy conferred to the Fund in this Note or the Assistance Agreement, or now or hereafter existing at law or in equity, by statute or otherwise, shall operate as a waiver of or otherwise prejudice any such right, power or remedy.

Whenever any payment to be made hereunder shall be due on a Saturday, Sunday or public holiday under Federal law, the payment may be made on the next succeeding business day.

The Awardee hereby waives presentment, demand for payment, notice of dishonor, protest and notice of protest of this Note.

The Awardee agrees to perform and comply with each of the covenants, conditions, provisions and agreements of the Awardee contained in the Assistance Agreement. No waiver of any provision of this Note or the Assistance Agreement, made by agreement of the Fund or any other person or party, will constitute a waiver of any other term hereof, or otherwise release or discharge the liability of the Awardee under this Note.

Capitalized terms used herein that are defined in the Assistance Agreement are so used as therein defined.

This Note shall be governed by and construed in accordance with Federal law to the extent Federal law is applicable, and to the extent Federal law is not applicable, this Note shall be governed by and construed in accordance with the laws of the State of incorporation of the Awardee.

Executed as of the day and year first above written.

By: _____
Name:
Title:

Award No.: _____

Awardee: _____

LOAN REPAYMENT SCHEDULE

[At or about the time that the Fund electronically transfers the loan proceeds to the Awardee's account, the Fund will prepare the Loan Repayment Schedule and send it to the Awardee. At that time, the Loan Repayment Schedule will be inserted in and made a part of this Assistance Agreement.]

Schedule 9-D

Award No.: _____

Awardee: _____

PRE-AUTHORIZED DEBIT PAYMENT INSTRUCTIONS: LOANS

Through the use of preauthorized debits, loan repayments will be debited automatically from the Awardee's bank account in amounts and on dates as shown in the loan repayment schedule (Schedule 9-C).

Complete the attached form, "Authorization Agreement for Pre-Authorized Payments", and return it with the Assistance Agreement.

AUTHORIZATION AGREEMENT FOR PREAUTHORIZED PAYMENTS
COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND

PAPERWORK REDUCTION ACT AND PRIVACY ACT STATEMENT

The following information is provided to comply with the Privacy Act of 1974 (P.L. 93-579). The information requested on the form is required under various provisions of title 15 U.S.C. 1601, 12 CFR 205 and 31 CFR 202, for the purpose of providing authority to the Department of Treasury to designate financial institutions to collect payments, by electronic means, from your account. The information will be used for identification with the records of the government agency and the financial institution to direct your payments to the point you authorize. No deduction may be made unless a signed authorization form is received. Failure to furnish this information may delay or prevent the collection of these payments through the Automated Clearing House System.

INDIVIDUAL/COMPANY INFORMATION

INDIVIDUAL/ORGANIZATION NAME: (PLEASE PRINT)

STREET ADDRESS:

CITY/STATE:

ZIP CODE:

TELEPHONE NUMBER:

AREA CODE:

YOUR AGENCY ACCOUNT IDENTIFICATION NUMBER:

TYPE OF PAYMENT:

Recurring (loan payment)

AMOUNT COLLECTED WILL BE IN AGREEMENT WITH THE TERMS PRESENTED IN THE PROMISSORY NOTE.

I hereby authorize the initiation of a deduction from my account and the financial institution named below to debit such account. I understand I will be notified if the debit amount needs to be adjusted, either to be increased or decreased. I also understand that I have the right to stop automatic payment by notifying my financial institution in writing three days prior to the time my account is charged.

SIGNATURE: _____ DATE: _____

FINANCIAL INSTITUTION INFORMATION

FINANCIAL INSTITUTION NAME:

STREET ADDRESS:

CITY/STATE:

ZIP CODE:

NINE- DIGIT ROUTING TRANSIT NUMBER:

____ _

ACCOUNT TITLE:

ACCOUNT NUMBER: _____ CHECKING _____ SAVINGS

SIGNATURE AND TITLE OF REPRESENTATIVE:

TELEPHONE NUMBER:

AREA CODE:

DATE:

Award No.: _____

Awardee: _____

OTHER LOAN DOCUMENTATION

Award No.: _____

Awardee: _____

REPRESENTATIONS AND WARRANTIES: EQUITY INVESTMENT

The Awardee hereby certifies:

1. Purchase and Sale of the Stock. The Fund hereby agrees to provide the Financial Assistance as payment in full for an aggregate of _____ shares of series _____, Nonvoting Convertible Common Stock (the "Stock") of the Awardee, \$_____ par value per share, \$_____ per share purchase price. The Stock shall be transferable, nonvoting stock that provides for voting rights, at the request of the Fund, for any transferee of the Stock. In exchange for the Assistance, the Awardee hereby agrees to issue and sell the Stock to the Fund.
2. Authorization and Legality of the Stock. The board of directors of the Awardee has duly authorized the issuance and sale of the Stock to the Fund to be issued pursuant to the Assistance Agreement, and the certificates evidencing the Stock have been duly executed and delivered by the Awardee. No further approval or authorization of the board of directors or the shareholders of the Awardee will be required for the issuance and delivery of the Stock as contemplated herein. The Stock to be issued hereunder will be, at the time of issuance and delivery, validly issued and outstanding and fully paid and nonassessable. The Stock has been reserved for issuance by all necessary corporate action on behalf of the Awardee. All of the issued and outstanding capital stock of the Awardee has been offered, issued and sold by the Awardee in compliance with the Securities Act of 1933 (the "1933 Act") and State securities laws.
3. The Offering. Neither the Awardee nor anyone acting on its behalf has directly or indirectly offered the Stock to be delivered to the Fund, any part thereof, or any similar security of the Awardee, for delivery to, or solicited any offer to buy the same from, anyone other than the Awardee and the investors to whom such offers can be made without registering the Stock or other similar securities under the Securities Act of 1933 as amended ("1933 Act") or State securities laws.
4. Amendment of Articles of Incorporation of Awardee. If the Awardee issues any new class or series of stock, including but not limited, to any Preferred Stock, the rights, preferences, privileges and restrictions granted to and imposed on such new class or series of stock shall not impede the Fund's ability to enforce the remedies available under the Assistance Agreement.
5. Limitations on Fund Equity Investment. The Fund will neither own nor control more than 50 percent of the equity of the Awardee, nor will it control the operations of the Awardee.

6. Authority to Sell Equity Investment. The Fund may, at any time, sell the share(s) of Stock purchased pursuant to the Assistance Agreement; however, the Fund will retain the power to enforce any agreements, covenants and other obligations of the Awardee hereunder until such time as the Fund determines that the Awardee has achieved all of its Performance Goals.
7. Fund Authority to Debit Awardee's Bank Account for Investment Income and Equity Redemption. The Awardee agrees to provide the Fund with the authority to automatically debit the Awardee's bank account for periodic investment income due to the Fund, and for any redemptions of said equity investment.
8. Reporting. The Awardee will submit an annual Financial Report to the Fund, in accordance with Schedule 6-B of this Assistance Agreement, throughout the term of the Equity Investment.

Award No.: _____

Awardee: _____

STOCK CERTIFICATE

Attached hereto is a copy of the Stock Certificate form to be used to evidence the Fund's Equity Investment in the Awardee.

Award No.: _____

Awardee: _____

ARTICLES OF INCORPORATION

The Awardee hereby certifies that the attached articles of incorporation are true, accurate and complete as of the date of the Assistance Agreement.

Award No.: _____

Awardee: _____

BYLAWS

The Awardee hereby certifies that the attached bylaws are true, accurate and complete as of the date of the Assistance Agreement.

Award No.: _____

Awardee: _____

CAPITALIZATION

The Awardee hereby certifies that: (i) all of its authorized capital stock is set forth below and has been duly authorized, validly issued, and is fully paid and nonassessable; (ii) there are no preemptive rights or similar rights on the part of the holder of shares of capital stock of the Awardee; and (iii) no other class of capital stock of the Awardee is outstanding or authorized except as set forth below:

Award No.: _____

Awardee: _____

OPTIONS AND WARRANTS

The Awardee hereby certifies that there are no options, warrants or other rights for the purchase of any shares of capital stock of the Awardee presently outstanding and no authorization therefor is presently in effect, except as set forth below:

Award No.: _____

Awardee: _____

SHAREHOLDER LIST

The Awardee hereby certifies that the following is a complete and correct list of the shareholders of the Awardee and of the shareholders of the Awardee as they will exist at the time of the sale, purchase, and delivery of the Stock to be issued and sold pursuant to this Agreement, showing the class, series, and number of shares and valuation of capital stock held or to be held by each shareholder. No other class of capital stock of the Awardee is outstanding except as set forth below.

No.	Shareholder	Class/Series	Outstanding Shares	Valuation of Shares
1	Community Development Financial Institutions Fund			
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				

Award No.: _____

Awardee: _____

**PRE-AUTHORIZED DEBIT PAYMENT INSTRUCTIONS: CERTIFICATES OF
DEPOSIT AND SECONDARY CAPITAL**

Through the use of preauthorized debits, dividend or interest payments will be debited automatically from the Awardee's bank account in accordance with the terms of this Assistance Agreement, the related certificate of deposit or secondary capital agreement, or other related document governing the Fund's Assistance.

Complete the attached form, "Authorization Agreement for Pre-Authorized Payments", and return it with the Assistance Agreement.

AUTHORIZATION AGREEMENT FOR PREAUTHORIZED PAYMENTS
COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND

PAPERWORK REDUCTION ACT AND PRIVACY ACT STATEMENT

The following information is provided to comply with the Privacy Act of 1974 (P.L. 93-579). The information requested on the form is required under various provisions of title 15 U.S.C. 1601, 12 CFR 205 and 31 CFR 202, for the purpose of providing authority to the Department of Treasury to designate financial institutions to collect payments, by electronic means, from your account. The information will be used for identification with the records of the government agency and the financial institution to direct your payments to the point you authorize. No deduction may be made unless a signed authorization form is received. Failure to furnish this information may delay or prevent the collection of these payments through the Automated Clearing House System.

INDIVIDUAL/COMPANY INFORMATION

INDIVIDUAL/ORGANIZATION NAME: (PLEASE PRINT)

STREET ADDRESS:

CITY/STATE:

ZIP CODE:

TELEPHONE NUMBER:

AREA CODE:

YOUR AGENCY ACCOUNT IDENTIFICATION NUMBER:

TYPE OF PAYMENT:

Recurring (dividend or interest payment)

AMOUNT COLLECTED WILL BE IN AGREEMENT WITH THE TERMS PRESENTED IN THE PROMISSORY NOTE.

I hereby authorize the initiation of a deduction from my account and the financial institution named below to debit such account. I understand I will be notified if the debit amount needs to be adjusted, either to be increased or decreased. I also understand that I have the right to stop automatic payment by notifying my financial institution in writing three days prior to the time my account is charged.

SIGNATURE: _____ DATE: _____

FINANCIAL INSTITUTION INFORMATION

FINANCIAL INSTITUTION NAME:

STREET ADDRESS:

CITY/STATE:

ZIP CODE:

NINE- DIGIT ROUTING TRANSIT NUMBER:

ACCOUNT TITLE:

ACCOUNT NUMBER: _____ CHECKING _____ SAVINGS _____

SIGNATURE AND TITLE OF REPRESENTATIVE:

TELEPHONE NUMBER:

AREA CODE:

DATE:

Award No.: _____

Awardee: _____

OTHER EQUITY INVESTMENT DOCUMENTATION

Award No.: _____

Awardee: _____

TERMS AND CONDITIONS RELATED TO REGULATED INSTITUTIONS

1. Prior Notice to Appropriate Federal Banking Agency of Sanctions. Prior to imposing or exercising any remedy (or remedies) under Section 6.2 of the Assistance Agreement, the Fund will provide the Appropriate Federal Banking Agency with written notice of the proposed remedy (or remedies). Moreover, the Fund will not impose or exercise any proposed remedy (or remedies) if the Appropriate Federal Banking Agency, in writing, not later than 30 calendar days after receiving the notice from the Fund of any proposed remedy (or remedies) against the Awardee, takes all of the following actions:

- (a) Objects to the proposed remedy (or remedies);
- (b) Determines that the remedy (or remedies) would:
 - (i) Have a material adverse effect on the safety and soundness of the Awardee; or
 - (ii) Impede or interfere with an enforcement action against the Awardee by the Appropriate Federal Banking Agency;
- (c) Proposes a comparable alternative action; and
- (d) Specifically explains:
 - (i) The basis for the determination made pursuant to this section, and, if appropriate, provides documentation to support the determination; and
 - (ii) How the alternative action proposed would be as effective as the remedy (or remedies) proposed by the Fund in securing compliance and deterring future noncompliance.

2. Insured Depository Institution, Depository Institution Holding Companies or Insured Credit Union as Awardee. The provisions of the Act, the CDFI Program Regulations, and the Assistance Agreement shall be enforceable under 12 U.S.C. § 1786, 12 U.S.C. § 1818, and 12 U.S.C. § 1844 by the Appropriate Federal Banking Agency, and any violation of such provisions will be treated as a violation of the Federal Credit Union Act, Federal Deposit Insurance Act, or Bank Holding Company Act, as applicable. Nothing herein shall be construed to preclude the Fund from directly enforcing the Assistance Agreement as provided for hereunder and under the terms of the Act.

3. No Authority to Limit Supervision and Regulation. Nothing herein is intended nor should be construed to affect any authority of the Appropriate Federal Banking Agency to supervise and regulate the Awardee.